Final

IDP REVIEW 2011/12

Ingquza Hill Local Municipality

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LIST OF ACRONYMS

ABET	-	Adult Basic Education and Training
AIDS	-	Acquired Immune Deficiency Syndrome
AsgiSA	-	Accelerated and Shared Growth Initiative of South Africa
BBBEE	-	Broad Based Black Economic Empowerment
BBSP	-	Black Business Supplier Programme
BEE	-	Black Economic Empowerment
BRAIN	-	Business Referral and Information Network
CED	-	Community Economic Development
CIF	-	Critical Infrastructure Fund
CIS	-	Cooperative Incentive Scheme
COGTA	-	Department of Cooperative Governance and Traditional Affairs
DBSA	-	Development Bank of South Africa
DEAT	-	Department of Environmental Affairs and Tourism
DTI	-	Department of Trade and Industry
EAP	-	Economic Active Population
EIA	-	Environmental Impact Assessment
ECDC	-	Eastern Cape Development Corporation
EMIA	-	Export Marketing & Investment Scheme Assistance Programme
EPWP	-	Extended Public Works Programme
FET	-	Further Education and Training
FIFA	-	Fédération Internationale de Football Association
FIG	-	Foreign Investment Grant
FRAIN	-	Franchise Advice and Information Network
GDP	-	Gross Domestic Product
GGP	-	Gross Geographic Product
HDI	-	Historically Disadvantaged Individuals
HIV	-	Human Immunodeficiency Virus
HSRC	-	Human Science Research Council
IDC	-	Industrial Development Corporation IDP
IDP	-	Integrated Development Planning
IDZ	-	Industrial Development Zone
IHLM	-	Ingquza Hill Local Municipality
ILO	-	International Labour Organisation
IT	-	Information Technology
JIPSA	-	Joint Initiative on Priority Skills Acquisition
KPA	-	Key Performance Areas
KPI	-	Key Performance Indicator
LBSC	-	Local Business Support Centre

LED	-	Local Economic Development
LQ	-	Location Quotient
LTA	-	Local Tourism Association
LRAD	-	Land Redistribution for Agricultural Development
LTO	-	Local Tourism Organization
MADA	-	Mount Ayliff Development Agency
MERS	-	Micro Economic Reform Strategy
MIG	-	Municipal Infrastructure Grant
MIS	-	Municipal Infrastructure Programme
MLL	-	Minimum Living Level
MTSF	-	Medium Term Strategic Framework
NDPG	-	Neighborhood Development Partnership Grant fund
Nedlac	-	National Economic Development and Labour Council
NEF	-	National Empowerment Fund
NPI	-	National Productivity Institute
NSDP	-	National Spatial Development Perspective
NDA	-	Ntinga Development Agency
ORTDM	-	OR Tambo District Municipality
PGDS	-	Provincial Growth and Development Strategy
PIC	-	Public Investment Corporation
PMS	-	Performance Management System
PP	-	Public Participation
PPP	-	Public Private Partnership
PT	-	Public Transport
RCF	-	Revolving Credit Facility
RIDS	-	Regional Industrial Development Strategy
SABS	-	South African Bureau of Standards
SALGA	-	South African Local Government Association
SALOC	-	South African Local Organizing Committee
SAQI	-	South African Quality Institute
SDF	-	Spatial Development Framework
SDI	-	Spatial Development Initiative
SEDA	-	Small Enterprise Development Agency
SETA	-	Sector Education and Training Authority
SHG	-	Self-help groups
SIP	-	Strategic Investment Programme
SMEDP	-	Small and Medium Enterprise Development Programme
SMME	-	Small, Medium and Micro-Enterprises
SPII	-	Support Programme for Industrial Innovation
StatsSA	-	Statistics South Africa

THRIP	-	Technology and Human Resource for Industry Programme
UDZ	-	Urban Development Zone
UYF	-	Umsobomvu Youth Foundation
VET	-	Vocational Education and Training
VOIP	-	Voice over Internet Protocol
WC	-	World Cup

Foreword: Mayor

In any business, achieving positive results is preceded by developing a sound plan which takes into account all the merits and demerits of pursuing the set objectives. This plan highlights new imperatives and challenges that confront our communities. No doubt, the role of community participation into the affairs of the municipality has a positive impact on good governance. We are geared up to take the challenges before us through deliberate means of redressing the imbalances of the past and turn the vicious poverty circle which confronts our communities. Our resolve on creating enabling regulatory framework has gained impetus and we are certain that before our term of office, we shall ensure that all our policies and by-laws strengthen our capacity to manage this municipality.

As we begin our term, we undertake to worked hard to push back the frontiers of poverty, to rebuild a tattered economy, to return pride to our people, to build confidence, to care for the poor and most vulnerable. We steer clear of the illusion that is populism. We sought to build rather than postulate. We choose decision over vacillation. We choose progress over stagnation. We choose inclusion over exclusion. We choose stability over chaos. We choose predictability over irrationality. We embrace the present, mindful of the past, and boldly face our future. We nurture our youth while caring for our elders. We respect the community and the individual. We cherish our diversity and our common humanity. We choose respect over disregard. We choose humility over arrogance. We choose partnership over isolation. We choose learning over assuming. We choose frankness over glibness.

Finally, our mandate that we derive from the constitution of the republic and other laws that govern local government have made to realise that we exist for one reason and that is, to serve our communities and change their lives for the better. We are therefore servant leaders and may our stewardship and sustainability embrace the noble objectives of developmental local government.

This IDP as a principal plan of the municipality will guide us in our quest for a better life for all. With this tool, we will remain focused on ensuring that we deliver on our mandate.

I sincerely believe that the implementation of our well diagnosed and synthesised strategic plan will make our municipality to grow from strength to strength.

Aluta continua!

MAYOR

Honourable J. P. Mdingi

Message: Municipal Manager

It gives me great pleasure to present the Ingquza Hill Local Municipality's IDP. This IDP is a product of a number of interactions and meetings which included the input from our political leadership. This IDP seeks to highlight areas of our strategic impact and interventions. It guides the implementation by various departments and ensures that their programs are synergized with our plans. What we need to urgently embark upon is the comprehensive risk assessment which will cover both our strategic and operational environments in order to ensure that the success of this implementation plan is realized.

Adequate attention has also been put on ensuring that a sufficiently resourced structure has been put for the implementation of the plans. I also wish to express my gratitude to the members of the previous Council and our community members and organizations who have guided this plan to give rise to these projects. I hope these projects will provide a meaning to our communities.

This plan once again recognises that making the right choices is not just about delivering a better quality of life to our people for a year or two. It is about ensuring that the policy choices we make today are affordable and sustainable ten or twenty years from now. This is important, because we must recognise that eradicating poverty is complex and takes time. Seemingly simple solutions that rely on weak and generalised assumptions about who the poor are, where they live, what they need and what they want, are destined to fail. I would also like to express my warm appreciation to Management, Staff and the Organised Labour for their commitment to our resolve of providing a value adding administration. To all those that have made this a reality, I salute them.

The task assigned is performed!

MLULEKI FIHLANI
MUNICIPAL MANAGER

EXECUTIVE SUMMARY

Introduction

Formerly known as the Qaukeni municipal area, Ingquza Hill Local Municipality comprises an area of 2476 square kilometres and serves a population of approximately 279 795 people in total. The municipality is one of the seven local municipalities within the OR Tambo District Municipality. Before Local Government election of 2011, local municipalities within the O.R.Tambo District Municipality include Mbizana; Ntabankulu; Port St Johns; Nyandeni; Mhlontlo; King Sabata Dalindyebo and Ingquza Hill local municipalities. In 2011/2012 financial year, the District Municipality will be made up of Ingquza Hill Local Municipality, Port St Johns, Mhlontlo Local Municipality, Nyandeni Local Municipality and King Sabata Dalindyebo Local Municipality.

The Ingquza Hill local municipality is committed in service delivery and infrastructure provision to ensure improvement in the livelihoods of the communities of the municipality. It is therefore important to provide an overview of the achievements; and challenges that still lie ahead. Our report covers the five Key Priority Areas of Local Government and also some functions that may not be competence and functions of local municipality.

Republic of South Africa is a developmental state, which means that all institutions like government are organised to such an extent that they make meaning impact on the development of its citizens. Local government, as a sphere of governance is developmental. Developmental local government requires all municipalities to be proactive and developmental, dynamic and responsive, efficient service delivery agents that ultimately change the lives of people and as such, the IDP becomes central towards achieving community aspirations. The adoption of the new constitution (Act 108 of 1996), White Paper in Local Government and many pieces of legislation that were passed brought about new methods of dealing with citizens in order to impact positively towards the achievements of the objects of local government enshrined in the constitution. The image of municipalities changed because of the implementations of the laws governing municipalities.

The definition of the municipality as the Municipal Systems Act No. 32 of 2000, emphasizes communities as another component of the municipality as opposed to the past definitions where only councillors and administration would be taken as components. Deriving from this definition, each of these inter-related components has certain rights and duties. These are stipulated in the constitution as well as Chapters 4,5 and 6 of the Municipal Systems Act No. 32 of 2000. Amongst the objects of the local government in the constitution "to provide democratic and accountable local government and to encourage the involvement of communities and community organisations in the matters of local government".

The notion of developmental local governmental has to be seen in practice and all its characteristics must find expression and witnessed by citizens. A contract of accountability has to be made with citizens and the municipality that gives them the right to know what the municipality intends to achieve and what it has accomplished. To ensure accountability; the municipality has prepared this annual report for 2008/2009 financial year which outlines municipal performance against predetermined objectives. The council has to express the opinion on such performance

Institutional Transformation and Organisational Development

Our municipality improved a lot in this Key Priority level as we were able to develop an organisational structure that responds to the development objectives and strategies enshrined in the IDP. We were able to implement the Workplace Skills Plan that was developed with the consultation of stakeholders, viz: employees, trade unions, councillors and community.

The image of the municipality improved a lot in as far as customer care is concerned. Batho Pele Principles are implemented. Policies were adopted by the council, to ensure the smooth transformation.

As per the organisational structure that was approved, the total number of posts was three hundred and eighteen (318), two hundred and six (216) have been filled and one hundred and two (102) posts remain vacant. There are six (6) Senior Managers who completed performance agreements and these were submitted to the Department within the prescribed timeframe.

Local Economic Development

The municipality takes local economic development very seriously since it is poor and rural. The municipality has a policy of funding the projects for three consecutive years to ensure sustainability of the projects. The projects benefited youth and women. Developers were called upon to invest on shopping malls, housing, offices with the aim of boasting the economy.

Basic Service Delivery

The core business of the municipality is to deliver basic services in a sustainable manner. Our municipality was able to embark on the construction of access roads and maintenance of some access roads. These were prioritised by the communities in their wards and communities also participated actively during the construction.

The municipality has also embarked on turnkey electrification programme that is covering three (3) wards (11, 12, and 17). Indigent people were assisted through subsidisation of Grid and non grid electricity.

Financial Management and Viability

The municipality has ensured that meagre resources are spent and utilised prudently within the prescripts of MFMA (Municipal Finance Management Act). Finance reports were issued monthly, quarterly and annually. The Financial management system (MUNSOFT) was installed and assists us a lot in the generation of reports that are needed for oversight purposes.

Supply Chain Management (SCM) regulations were implemented as they are and the SCM policy is in place. Poor people benefited a lot in the implementation of SCM policy. There was an improvement in the collection of revenue as Credit Control and Debt Collection policy was implemented in full. There is a need though to improve our systems to ensure more revenue collection. Budget process and budget control was implemented with the assistance of MUNSOFT though there is still a need to improve in the budget control and adherence to it.

Good Governance and Public Participation

The Council meetings were not properly convened however, the Executive Committee ensured that all programs were fulfilled at it was the principal committee of Council. Quarterly, S. 72, IDP & Budget, Policies and annual report 2007/2008 were considered in this regard. Furthermore, the Executive Committee held series of meetings to oversee the day to day administrative work of the management. Standing Committee (S.80) committees assisted the executive committee. Ward Committees remained the key Council committees that represented the communities in prioritising the needs of the communities, representing communities in the IDP rep Fora. Audit Committee assisted a lot in improving the systems and to ensure clean governance. IGR meetings were held to ensure cooperative governance.

1.7 Implementation of the Performance Management System

PMS Framework and policy was adopted and the following activities achieved:

- Performance agreements signed with Municipal Manager and Section 57 Managers
- Service Delivery and Budget Implementation Plan framework for performance agreements compiled
- Monthly reports – S71 submitted to Municipal Manager, standing committees and EXCO
- Quarterly and midterm reports submitted to council
- Self evaluation done
- Outstanding scores of formal evaluation by committee comprising of Municipal Manager and Mayor from other municipalities compiled.

SECTION ONE: INTRODUCTION AND BACKGROUND

1.1 Introduction

An IDP is one of the key tools for Local Government to achieve its developmental role and seeks to arrive at decisions on issues such as municipal budgets, land management, promotion of local economic development, and institutional transformation in a consultative, systematic and strategic manner. Ingquza Hill Local Municipality during 2007/08 drafted a comprehensive 5 year Integrated Development Plan (IDP) in terms of Chapter 5 of the Municipal Systems Act, 2000. Section 34 of the said Act requires all municipalities to annually review and amend its IDP in accordance with an assessment of its performance measurements in terms of Section 41 of the Act and to the extent that changing circumstances so demand.

In the IDP Review process, the Process Plan of the Municipality need to be prepared in line with the IDP Review Framework Plan as agreed to by all the Municipalities in the District. The IDP Review Process Plan provides guidance to the review process with respect to the programme of action that has to be followed during the review process. The purpose of this process plan is to identify and detail the elements identified in the Framework Plan and set out the specific time frames in which all activities should be achieved. Ingquza Hill Local Municipality is an amalgamation of two former TLC's (Lusikisiki and Flagstaff) and is composed of 27 wards. The IDP demonstrates the Ingquza Hill Local Municipality resolve to push the frontiers of poverty and create a better life for all.

1.2 CONTENTS OF THE IDP

The Constitution of the Republic of South Africa, 1996 (Act 108 of 1996) provides the main legal framework for *inter alia* defining the areas of operation of each sphere of government. Chapter seven of the Constitution acknowledges local government as an independent sphere of government with legislative and executive authority (section 151(2)). According to the Constitution, (section 152 and 153), local government is in charge of the development process in municipalities, and it in charge of municipal planning. The constitutional mandate to relate its management, budgeting and planning functions to its objectives gives a clear indication of the intended purposes of the municipal integrated planning.

- to ensure sustainable provision of services;
- to promote social and economic development;
- to promote a safe and healthy environment;
- to give priority to the basic needs of communities; and
- to encourage involvement of communities.

These development policy guidelines and principles can be summarized as follows:

- orientation towards people's needs;

- poverty alleviation with special consideration of marginalized and disadvantaged groups and gender equity;
- environmentally sustainable development and a safe and healthy environment;
- economic growth with creation of income and employment opportunities;
- involvement of residents, communities and stakeholders;
- sustainability of services, municipalities and settlements.

The White Paper on Local Government, 1998 is aligned with the spirit of the Constitution as it considers the integrated development planning explicitly as a tool for developmental local government. Besides relating integrated development planning to the developmental outcomes which are largely in line with the objectives stated in the Constitution, the White Paper on Local Government, 1998 outlines why integrated development planning is considered a necessary tool to achieve these purposes. Integrated Development Planning:

- helps to align scarce resources behind agreed policy objectives and programs;
- makes sure that actions are prioritized around urgent needs;
- ensures the necessary integration with other spheres of government; it serves as a tool for communication and interaction with them;
- serves as a basis for engagement between local government and communities / residents.

This framework includes:

- identification of plans and planning requirements binding in terms of legislation on the district and local municipalities;
- identification of all matters that should be included in the district IDP and local IDP's which require alignment;
- specification of the principles that are applied and the approach adopted in respect of such matters;
- determination of procedure for consultation between the district and local municipalities when drafting the respective IDP's as well as procedures to effect changes to the framework.

The Municipal Systems Act, 2000 (Act 32 of 2000) requires a municipal council to "promote and undertake development" (section 4(2)(g) and re-establishes Integrated Development Planning as a legal requirement. A municipality is required to undertake developmentally oriented planning (section 23(1)) to ensure that it complies with the objects of local government as set out in the Constitution (section 152). The capacity building duty of local government is strengthened by sections 23-24 of the Municipal Systems Act, 2000 by firmly establishing Integrated Development Planning as a function of the local sphere of government.

The Municipal Systems Act requires municipalities to adopt a single, inclusive plan for the development of municipality which, according to section 25 of the act:-

- Links, integrates and coordinates plans and takes into account proposals for the development of the municipality;
- Aligns the resources and capacity of the municipality with the implementation of the plan;
- Forms the policy framework and general basis on which annual budgets must be based; and
- Is compatible with national and provincial development and planning requirements that are on the municipality in terms of legislation.

An important aspect related to the IDP process is performance management. The Municipal Systems Act, 2000 (section 38-49) specifies that a municipality should establish a performance management system that is in line with the priorities, objectives and targets contained in the IDP. Through this a culture of performance management should be instilled among municipalities' political structures, political office bearers and councillors and in its administration. This should be done in order to ensure an effective and efficient and accountable administering of the municipality's activities. The Act specifies that the Municipal Manager plays an important role in this regard; especially against the backdrop is this position's accountability principle. Performance management system should:

- be developed;
- be properly monitored and reviewed;
- key performance indicators should be set in terms of the institution's performance related to the IDP and its intra-institutional performance;
- measurable targets should be set for development priorities and objectives;
- include mechanisms and process for community participation and involvement;
- be made known to the public and institutionally (KPIs and targets);
- be subjected to regular audits;
- be reflected in the annual report

1.3 PURPOSES/ OBJECTS OF IDP

- to ensure sustainable provision of services;
- to promote social and economic development;
- to promote a safe and healthy environment;
- to give priority to the basic needs of communities; and
- to encourage involvement of communities.

PROCESS FOR THE REVIEWAL OF THE IDP

A long term vision was developed for the municipality, with special emphasis on the municipality's most critical development and internal transformation needs. Assessing the existing level of development in the municipality and identifying communities which do not have access to the basic municipal services. Setting out of development priorities and objectives for the council's elected

term, including its local economic development aims and its internal transformation needs. A spatial development framework which included the provision of basic guidelines for a land use management system of the municipality.

The IDP process plan was adopted in August 2007 to guide the process towards the IDP development. This reflects on how the municipality had geared its in the IDP development process. Extensive consultation was done with communities and all stakeholders. A long term vision was developed for the municipality, with special emphasis on the municipality's most critical development and internal transformation needs. Assessing the existing level of development in the municipality and identifying communities which do not have access to the basic municipal services. Setting out of development priorities and objectives for the council's elected term, including its local economic development aims and its internal transformation needs. A spatial development framework which included the provision of basic guidelines for a land use management system of the municipality.
The IDP process plan was adopted in August 2010 to guide the process towards the IDP development. This reflects on how the municipality had geared its in the IDP development process. Extensive consultation was done with communities and all stakeholders. An understanding has been made to spend time understanding local economies and what the economic development needs are. Thus local economic development proposals must not simply be an agglomeration of projects rather than a sound economic recovery strategy which is what we most require. However, the most pressing need for us is to receive guidance on the substantive issues of planning. Notwithstanding the latter, there is also a lack of financial planning which is vital for the on going sustainability of our municipality which is already experiencing financial crisis.

Moreover, there was a tendency to identify sectoral priority issues rather than to have an issue-based integrated focus. The capital budget focus is particularly problematic in relation to us as a small municipality where it very small and shrinking in future years to come. The IDP should indicate the down stream impacts on operational budgets but linkages have not been shown.

The other limitation on the budget processes is that in most cases we planned without the clear understanding of what budgetary allocation by provincial and other national departments to us. Further not knowing what macro plans and priorities and technical parameters are for major service providers, including parastatals such as Eskom and Telkom. Although there were cases of inter-governmental coordination and cooperation, Ingquza Hill Local municipality continued to have fairly sectoral approaches and did not manage to make conceptual leap to integrated planning. There is, however, a growing awareness of more integrated solutions, and cross-cutting issues such as gender, HIV /AIDS and LED did receive prominence. These plans are significant to the success and future of the municipality because they tend to create an approach that seeks to streamline deliverables to all affected communities. Moreover, communities suffer to get services with to them are bread and butter issues.

Significant progress has been made in ensuring that our IDP is implementation – oriented and that planning is linked to budgeting. Indeed, we are dealing well with projects planning and we have

arrived at a much more realistic number of projects although there is often uncertainty regarding funding sources for some projects.

Our wish for the next IDP is to organise resources, financial, human et. and have time to embark on community based planning (CBP) that will culminate into all inclusive IDP that will be owned by the whole communities since the majority of community from street and villages levels will have participated.

Furthermore, Ingquza Hill Local Municipality has considered the following as necessary for the development of the five year IDP:-

- Develop the IDP in terms of the strategic planning contributions and perhaps focus on a few strategic intentions that can make the most impact on viability and sustainability of planned projects;
- Accept that we are dealing with imperfect and incomplete information but ensure that an in depth analysis is done to establish root causes of the problems that these few strategic intentions (mentioned above) are going to address. This will avoid time and resources being spent addressing the wrong problems and enable them to be addressed in a substantive way.
- Review the institutional structure and ensure that the institutional structure is in synchronise by setting up appropriate IDP structures within the municipality that will continue functioning even beyond the adoption of the IDP. This will ensure that the monitoring and evaluation is done periodically and there is no breakdown of communication and understanding in communities.

- Review the financial planning that is ambitions in its entirely and sharpen it so as to respond to the opportunities that are presented by the environmental and economic conditions.

KEY ISSUES AND STRATEGIC DIRECTION

The key issues for new Ingquza Hill Local Municipality have not changed from those of the old municipality and the only difference would be on the magnitude.

Municipal Key Issues

The key issues for Ingquza Hill Local Municipality for the five years are:

- The need for housing.
- All access Roads Needs to be upgraded – to have number of Kms of roads in bad condition. (Transportation plan)
- The need to extend the water supply and for water tanks to be maintained.
- The need for adequate sanitation.
- The need for an electricity supply.
- The need for a vibrant and visionary FET technical institution that responds to technical skills and provide access to information

- The need for home based care institution and orphanages

IDP details the development priorities and objectives, which contribute towards achieving this vision and mission. It further reflects strategies, which are the means by which these objectives will be achieved. The IDP programmes and projects are linked to the strategies, with funding for these being detailed in the budget.

LEGILATIVE FRAMEWORK AND POLICY ENVIRONMENT

The compilation of IDPs by municipalities is regulated in terms of the Municipal Systems Act (MSA), 32 of 2000. Section 25 stipulates that-

"Each municipal council must, adopt as single, inclusive and strategic plan for the development of the municipality which –

(a) links, integrates and coordinates plans and takes into account proposals for the development of the municipality;

(b) aligns the resources and capacity of the municipality with the implementation of the plan;

(c) forms the policy framework and general basis on which annual budget must be based;

(d) complies with the provisions of this Chapter; and

(e) is compatible with national and provincial development plans and planning requirements binding on the municipality in terms legislation..."

As far as the status an IDP is concerned. Section 35 states that an IDP adopted by the Council of a municipality-

(a) is the principal strategic planning instrument which guides and informs all planning and development, and all decisions with regard to planning, management and development, in the municipality;

(b) binds the municipality in the exercise of its executive authority, except to the extent of any inconsistency between a municipality's integrated development plan and national or provincial legislation, in which case such legislation prevails; and

(c) binds all other persons to the extent that those parts of the integrated development plan that impose duties or affect the rights of' those persons have been passed as a by-law.

In addition, section 36 stipulates that-

"A municipality must give effect to its integrated development plan and conduct its affairs in a manner which is consistent with its integrated development plan."

The development of the IDP as legislated in Chapter 5 of the local government MSA, 32 of 2000, amongst others prescribes the content of the IDP as follows:

- Municipal councils vision for the long term development of the municipality with special emphasis on the municipality's most critical development and internal transformation needs.
- An assessment of the existing level of development in the municipality including identification of communities which do not have access to basic services;
- The councils development priorities and objectives for its elected term, including its local economic development aims and its internal transformation needs
- The councils development strategies aligned with those of national and provincial sector plans and planning requirements binding on the municipality in terms of legislation;
- A spatial development framework including basic guidelines for land use management system for the municipality, the council's operational strategies, applicable disaster management plans, a financial plan and budget projection for the next three year; and key the key performance indicators and performance targets determined in terms of section 41 of the Municipal Systems Act.

Section 34 of the MSA, 32 of 2000 states that a municipal Council "***must review its integrated development plan annually in accordance with an assessment of its performance measurements in terms of section 4 (i)***", and based on the results of this of the review process it "may amend its integrated development plan in accordance with a prescribed process.'

Other key legislative provisions and policy documents which contain reference to the IDP are tabulated below:

Table 1: Local Government Legislation and Policy provisions

Legislation and Regulations	Policies and Strategic Documents
The Constitution of the Republic of South Africa Act 108 of 1996	The White Paper on Local Government, 1998
Auditor-General Act 12 of 1995	The Reconstruction and Development Programme (RDP)
Development facilitation Act, 67 of 1995	The National Spatial Development Perspective (NSDP)
National Water Act 36 of 1997	Eastern Cape Province Growth and Development Strategy (ECPGDS)
Housing Act 107 of 1997	Accelerated and Shared Growth Initiative (ASGISA)
The National Environmental Management Act, 1998 (Act 107 of 1998)	The Joint Initiative on Skills Acquisition (JIPSA)
Municipal Structures Act 117 of 1998	Provincial Spatial Economic Development Strategy (PSEDS)
Promotion of Access to Information Act 2 of 2000	Millennium Development Goals (MDG)
Preferential Procurement Act 5 of 2000	Credible IDP Framework
Municipal Systems Act 32 of 2000	Integrated Sustainable Rural Development Programme (ISRDP)
Disaster Management Act 57 of 2002	State of the Nation Address 2008
Municipal Finance Management Act 56 of 2003	State of the Province Address 2008
Local Government: Municipal Planning And Performance Management Regulations, 2001	State of the Nation Address 2009
Local Government: Performance Management Regulations of Section 57 of 2006	State of the Province Address 2009
Electoral Act, 1998	State of the District Address 2009
Rental housing act, 1999	Growth and Development Summit (GDS)
Ordinance 113 and LUPO (Land Use Planning Ordinance)	The provincial Growth and development (Plan PGDP)
Physical planning act, 1991	The National Spatial Development Perspective
Planning Professionals Act, 2002	Municipal Turn Around Strategy
Environmental Conservation Act, 1989	The Rural Development Strategy

GOOD GOVERNANCE

The process for the review of the IDP is outlined in the process plan and aligned to the district framework. The Process Plan fulfils the function of a "business plan", it therefore details and sets out timeframes to the process of the IDP review ensuring that all aspects of the review are covered on time for adoption.

The Process Plan must also consider and include what has been set out in the Framework Plan of the District Municipality for the purposes of integrated planning. In terms of Section 34 of the MSA No. 32 of 2000: A **municipal council-**

(a) must review its integrated development plan-

(i) annually in accordance with an assessment of its performance measurements in terms of section 4i; and

(ii)to the extent that changing circumstances so demand; and

(b) may amend its IDP in accordance with a prescribed process

In order to effectively review the municipal IDP the municipality must prepare and adopt an annual IDP Review Process Plan to guide the review process. The preparation of a Process Plan for the annual review is referred to in chapter 5, Section 28 of the MSA as follows:

Adoption of a process-

(1) Each municipal council, within a prescribed period after the start of its elected term, must adopt a process set out in writing to guide the planning, drafting and *adoption and review of its integrated development plan*

In all the Process plan must indicate what has to happen, when, by whom, with whom and where, and it should include cost estimates.

SECTION TWO: INSTITUTIONAL ARRANGEMENTS FOR THE IDP

This institutional arrangement is set out to ensure the following:

- Institutionalization of the participation process
- Effective management in the drafting of objectives and
- To give affected parties access to contribute to the decision-making process.

Council is responsible for the adoption of all the final documents**.**

2.1 IDP TECHNICAL TEAM COMMITTEE

As part of the 2011 / 2012 IDP Review Process, it is recommended that Council resolve to establish the IDP Technical Team Committee, which will act as support to the IDP Representative Forum, the Municipal Manager and the IDP Manager. This Committee, as well as the Representative Forum, should be reconstituted for each review of the IDP. The composition of the IDP Technical Team Committee will have to take the manageability of a working committee into consideration and should preferably be chaired by the accountable or responsible official for IDP (Municipal Manager or IDP Manager).

2.1.1. TERMS OF REFERENCE FOR THE IDP TECHNICAL TEAM COMMITTEE

The summarised terms of reference for the IDP Technical Team Committee are as follows:

- Provides terms of reference for the various planning activities
- Commissions research studies

Considers and comments on:

- Inputs from sub-committee/s, study teams and consultants
- Inputs from provincial sector departments and support providers
- Processes, summarises and document outputs
- Makes content recommendations
- Prepares, facilitates and documents meetings

2.2 THE IDP MANAGER AND RESPONSIBILITIES

Amongst other, the following responsibilities have been allocated to the IDP Manager for the IDP Review Process:

- To ensure that the Process Plan is finalised and adopted by Council;
- To adjust the IDP according to the proposals of the MEC;
- To identify additional role-players to sit on the IDP Representative Forum;
- To ensure the continuous participation of role players;
- To monitor the participation of role players;
- To ensure appropriate procedures are followed;
- To ensure documentation is prepared properly;
- To carry out the day-to-day management of the IDP process;
- To respond to comments and enquiries;
- To ensure alignment of the IDP with other IDP's within the District Municipality;
- To co-ordinate the preparation of the Sector Plans and their inclusion into the IDP documentation;
- To co-ordinate the inclusion of the Performance Management System (PMS) into the revised IDP;
- To submit the reviewed IDP to the relevant authorities.

2.3 STRATEGIC AND DEVELOPMENT PLANNING PORTFOLIO COMMITTEE

The Portfolio Committee is comprised of politicians and officials are usually present on invitation. This committee is chaired by the member of Executive Committee. This committee recommends to EXCO.

2.4 IDP REPRESENTATIVE FORUM

2.4.1 COMPOSITION OF IDP REPRESENTATIVE FORUM

The IDP Representative Forum (IDP Rep Forum) was constituted as part of the preparation phase of the IDP and will continue its functions throughout the annual IDP Review process.

The proposed composition of the IDP Rep Forum is as follows:

• Councillors	• Advocates of unorganised groups
• Traditional leaders	• Resource persons
• Ward Committee Chairperson	• Other community representatives
• Senior municipal officials	• National and Provincial Departments regional representatives
• Stakeholder representatives of organised groups	
• NGO's	Parastatal organisations

2.4.2 TERMS OF REFERENCE FOR THE IDP REPRESENTATIVE FORUM

The summarised terms of reference for the IDP Representative Forum could be based on the composition of the constituency's interests in the IDP process, and is proposed to be as follows:

- Represent the interest of the municipality's constituency in the IDP process,
- Provide an organisational mechanism for discussion, negotiation and decision making between the stakeholders inclusive of municipal government
- Ensure communication between all the stakeholder representatives inclusive of municipal government
- Monitor the performance of the planning and implementation process

SECTION 3: ROLES AND RESPONSIBILITIES

3.1 ROLE PLAYERS

The following internal and external role players have been identified to ensure a successful and useful IDP Review Process within the municipality. Each of these role players will contribute immensely to the success of the 2010/ 2011 IDP Review Process.

Internal Role-players

- Council and the Executive Committee;
- Mayor;
- Municipal Manager;
- Senior Municipal officials;
- IDP Manager;
- IDP Steering Committee;

External Role-players

- Relevant Government Departments;
- Planning professionals/facilitators;
- Representative Forum/Civil Society.
- Parastatal's
- The District Municipality

3.2 ROLES AND RESPONSIBILITIES

As with the preparation of the IDP, in the IDP Review the main roles and responsibilities allocated to each of the internal and external role players are set out in table 3.2.1 and 3.2.2 respectively. The tables provide an indication of the various roles and responsibilities of the different groupings relating to specifically the IDP Review, PMS and budgeting processes.

Table 3.2.1. Internal Roles and Responsibilities

Role Player	Roles and Responsibilities
Council	**IDP** • Final decision making • Approval of the reviewed IDP documentation. • Coordination roles for stakeholders.

Role Player	Roles and Responsibilities
	• Ensuring horizontal alignment of the IDP's of the municipality with that of district council area. • Ensuring vertical alignment between the district and local planning. • Facilitation of vertical alignment of IDP's with other spheres of government and sector departments. • Provide events for joint strategy workshops with local municipalities, provincial and national role players and other subject matter specialists. • Linking the IDP process with their constituencies • Recommend the Process Plan to Council • Overall management, coordination and monitoring of process and drafting of IDP • Approve nominated persons to be in charge of the different roles, activities and responsibilities • Overall management and coordination of planning process • Organising Public participation • Ensure the annual business plans, budget and land use management decisions are linked to and based on the IDP **PMS** • Final decision making • Consider and adopt final report. • Consider and approve the performance agreement of the MM • Popularising PMS within their constituencies **BUDGET** • Final decision making • Approve the budget before the start of the financial year. • Council to approve unforeseen and unavoidable expenses • Approve Service Delivery and Budget Implementation Plan
Mayor	**IDP** • Responsible for overseeing the process • Political responsibility and accountability regarding the process **PMS** • Establishing the performance agreement for the Municipal Manager in terms of the PMS. • Determine KPA's for MM based on institutional KPI's.

Role Player	Roles and Responsibilities
	• Determine the performance objectives and targets that the MM must meet in relation to the KPA's. • Negotiate the performance objectives and targets that the MM must meet. • Submit draft performance agreement for the MM via EXCO to the Council for consideration and approval. • Conclude and sign performance agreement with the MM on behalf of Council. **BUDGET** • Table budget to Council at least 90 days before the start of the financial year. • Table budget timetable to Council. • Report authorization of unforeseeable and unavoidable expenses at Council meeting after having authorized such expenses. • Submit SDBIP to Council, 14 days after approval of budget • Ensure conclusion of management's performance agreements. • Ensure that the management's performance agreements are made public. • Submit to Council an annual report within 7 months after the end of the financial year.
Municipal Officials	**IDP** • Provide technical/sector expertise through the IDP Technical Committee (Senior officials) • Prepare selected Sector Plans. • Provide comments on the IDP Review document as members of staff **PMS** • Setting KPI's for administrative components and service providers. • Prepare progress reports- Top management: Monthly • Reporting on the performance measures. • Verification of interim PMS measurement results.
Municipal Manager / IDP Manager	**IDP** • Decide on planning process. • Monitor process. • Overall Management and co-ordination. **PMS**

Role Player	Roles and Responsibilities
	• Submission of annual performance report to Council for approval. • Submission of audit to Council • Submit report to the Council about mechanisms, systems and processes for auditing the results of performance measurements as part of the internal auditing process. • Establishment of a performance audit committee. • Entering into performance agreements with departmental heads. • Performance monitoring • Submission of approved annual performance report, together with financial statements, to the Auditor General. • Receive external Auditors report. • Submission of audit report via EXCO to Council within 1 month of receipt. • Within 14 days of adopting the annual report: • make copies available to the public and the media; • submit a copy of the report to the MEC for local government in the province; • submit a copy of the report to the Auditor General and any other institutions prescribed by regulation. **BUDGET** • Give notice of bank account to National Treasury (NT) and Auditor General (AG). • Supply NT and AG with list of bank accounts. • Table consolidated report of all withdrawals from bank account to Council within 30 days after the end of each quarter. • Submission of draft budget implementation plan to Mayor within 14 days after approval of the budget. • Perform mid-year performance assessment of the municipality and the submission of the report to the Mayor. • The submission of the annual financial statements to the AG within two months after the end of the Financial Year. • Submission of annual oversight reports to the Provincial Legislature within 7 days after adoption by Council.
IDP Manager	**IDP** • ensure that the Process Plan is finalised and adopted by Council; • Day-to-day management of the IDP process

Role Player	Roles and Responsibilities
	• Ensure continuous and improved participation of role players through IDPRF and other means; • Prepare documentation and submissions; • co-ordinate the preparation of the Sector Plans and their inclusion into the IDP documentation; • co-ordinate the inclusion of the Performance Management System (PMS) into the revised IDP; • Submit the reviewed IDP to the relevant authorities. **PMS** • Day-to-day management of the process • Performance management review planning and preparation. • Prepare documentation and submissions; • ensure that the Process Plan is finalised and adopted by Council; • Day-to-day management of the IDP process **BUDGET** • Interact with Budget Officer for alignment of processes • Ensuring IDP process conducted timeously for budgeting purposes
Budget Officer	**IDP** • Interact with IDP manager to ensure processes are aligned • Ensuring budget proposals in line with IDP **BUDGET** • ensure that the Process Plan is finalised and adopted by Council; • Day-to-day management of the budgeting process • Make information available to staff members for budgeting purposes • Prepare documentation and submissions; • Ensure draft budget is in place for submission to Council.

TABLE 3.2.2: EXTERNAL ROLES AND RESPONSIBILITIES

Role Player	Roles and Responsibilities
Planning Professionals	• Specialist & targeted input. • Facilitation of planning workshops. • Sector Plans.

Role Player	Roles and Responsibilities
	• Documentation.
Representative Forum/Civil Society	• Representing interest and contributing knowledge and ideas.
Municipal / Government Departments	• Provide data and information. • Budget guidelines. • Alignment of budgets with the IDP. • Provide professional and technical support (sector specialization) • Provide relevant technical, sector and financial information for analysis for determining priority issues; • Contribute technical expertise in the consideration and finalization of strategies and identification of projects; • Provide departmental operational and capital budgetary information; • Be responsible for the preparation of project proposals, the integration of projects and sector programmes; and • Be responsible for preparing amendments to the draft IDP for submission to the municipal council for approval and the MEC for Local Government for alignment. • Charged with the responsibility of preparing business plans for different programmes and projects.
Community at Large	• Represent interests, contribute knowledge and ideas (Representative forum) • Inform interest groups, communities and organizations • Analyze issues, determine priorities, negotiate and reach consensus • Participate in designing project proposals • Discuss and comment on the draft IDP • Monitor performance in implementation • Conduct meetings with group's communities etc to prepare for and follow-up on relevant planning activities.

SECTION FOUR: MECHANISMS AND PROCEDURES FOR PARTICIPATION AND ALIGNMENT

4.1 FUNCTIONS AND CONTEXT OF PUBLIC PARTICIPATION

Four major functions can be aligned with the public participation process namely:

- Needs identification and confirmation;
- Providing appropriate alternative solutions to needs;
- Community ownership; and
- Empowerment.

Like with the preparation of the IDP, the public participation process in the IDP Review phase has to be institutionalised in order to ensure all residents have an equal right to participate. The public participation process during the IDP Review phase is closely linked to the activities of developing the municipal IDP, such as contributing to the reviewing of municipal issues, reviewing of important objectives, ensuring the appropriateness of municipal strategies and forming part of project development task teams.

The completed performance management system (PMS) for the municipality will contribute to the public participation process, through regular information and consultation workshops and the preparation and audit of performance reports. The importance of alignment is crucial as part of the 2011 / 2012 IDP Review Process. Alignment in terms of Spatial Development Frameworks, Land Use Management Systems (LUMS) and cross boarder alignment forms part of the 2011/ 2012 IDP Review Process as well as institutional alignment between the municipality and the various processes ongoing at national and provincial government levels.

4.2 MECHANISMS FOR PARTICIPATION

Municipality will confirm the following mechanisms for participation:

4.2.1 IDP REPRESENTATIVE FORUM (IDP REP FORUM)

This forum comprises of all stakeholders and will be as inclusive as possible. Efforts will be made to bring additional organisations into the Rep Forum and ensure their continued participation throughout the process.

4.2.2 MEDIA

Local newspapers will be used to inform the community of the progress of the 2011/2012 IDP Review. A progress report will be submitted to the local newspaper on the completion of the IDP Review, as well as on the completion of any of the Sector Plans.

4.2.3 INFORMATION SHEETS

This will be prepared in English and IsiXhosa and be distributed via the Representative Forum. At the completion of the IDP Review, an information sheet will be prepared in the two dominant languages, namely isiXhosa and English. The members of the Rep Forum will distribute these information sheets.

4.2.4 COMMUNITY OUTREACH AND ENGAGEMENTS

Communities will be engaged through targeted outreach programmes in collaboration with government departments.

4.3 PROCEDURES/PROCESS FOR PARTICIPATION

4.3.1 REPRESENTATIVE FORUM

In order to ensure maximum participation in the Rep Forum meetings from members of the public, representatives and relevant government officials, it is recommended that Rep Forum meetings are scheduled as and when required during the key stages of the IDP Review Process:

- The first Rep Forum meeting will involve a presentation of this Process Plan focusing on identifying areas to be addressed in the IDP Review Phase,
- Following Rep Forum workshops will be held to provide feedback on the IDP Review Process, acquire input from Rep Forum members and to ensure participation in all activities such as PMS, LUMS and Budget development of the 2011/2012 IDP Review Process.

4.3.2 COUNCIL APPROVAL

The Council will consider, for comments, a draft 2011/2012 IDP Review document by March 2011. This will ensure inclusion into the national and provincial budgeting processes as well as inform the municipal budgeting process. The final IDP Review document will be adopted by May 2010 together with the municipal budget. Sector Plans will be approved by Council on their completion.

SECTION FIVE: 2011 / 2012 IDP REVIEW ACTION PROGRAMME

5.1. MUNICIPAL AND PROVINCIAL BUDGET AND IDP REVIEW ALIGNMENT

The 2011/2012 IDP Review Action Programme is based on the alignment of the internal municipal processes (IDP Review, PMS and Budget) with the external processes (planning and budgeting) of national and provincial government. This alignment has a substantial impact on the 2011/2012 IDP Review Process, specifically in terms of key milestones and deadline dates. The Municipal Finance Management Act (MFMA) No 56 of 2003 as amended also has a direct and large impact on the 2011/ 2012 IDP Review Process in terms of alignment.

5.2 THE MUNCIPAL PLANNING CYCLE

Month	Activities	Purpose	Output
January February	Preparing for implementation: Formulation of developmental projects	Formulation of the projects that are necessary to realise the set agenda	Municipal developmental projects
March	Integration of various programmes	Ensure that all the other crosscutting aspects that have a bearing on the development of the municipality are adequately addressed	The formulation of integrated development programmes and plans
April May	IDP approval	Ensure that the plans is a true reflection of the developmental agenda and actions of all three spheres of government	The integrated development plan
June	IDP adoption	Legalise the IDP document as a key guiding policy of the municipality	The integrated development plan
July	New municipal financial year = new IDP cycle	Prepare for the new planning cycle or to start implementing and reviewing the IDP	The Preparation Plan
August	Analysing	Obtain understanding of the	Municipal Developmental

September October		development trends of the municipality and setting a development agenda of a municipality	priorities
November	Strategising	Setting a development agenda for the municipality	Municipal developmental vision, objectives, strategies and projects

5.3. IMPORTANT ACTIVITIES AND ACTION PROGRAMME FOR THE 2011/2012 IDP REVIEW PROCESS

5.3.1 FOCUS AREAS FOR THE 2011 / 2012 IDP REVIEW

The following aspects were identified:

1. Alignment with national and provincial policies;
2. Municipal, provincial and national government planning and budgeting;
3. Input into the national and provincial MTEF (budgeting) process to ensure funding commitments and IDP Implementation;
4. Financial Sustainability and revenue enhancement;
5. Objectives, strategies and projects addressing cross dimensional and sector specific issues;
6. Combining PMS with SDBIP;
7. Strengthening the municipal budget (MFMA implementation) and IDP alignment processes;
8. Strengthening Intergovernmental relations (with a view to align municipal programmes with programmes of other spheres of government);
9. IDP Implementation;
10. Sector plans;
11. To indicate funded and unfunded mandates and implications thereof in IDP;
12. SDBIP to show response to the AG Report (where necessary); and
13. Municipal IDP's analysis to clearly reflect areas where there are shortfalls in backlog information;

5.3.2 2011/2012IDP REVIEW ACTION PROGRAMME

The table below provides the detailed action plan for the 2011 / 2012 IDP Review. The action plan is broken up into the 4 quarters of the municipal financial year with activities reflecting being either IDP, PMS or Budget related.

	Key Activities	Respo	1st Quarter			2nd Quarter			3rd Quarter			4th Quarter		
			J	A	S	O	N	D	J	F	M	A	M	J
	1. Drafting g of Process Plan													
	2. Advertise on local news paper for commencement of the IDP review process.													
	3. Liaise with other municipalities in preparing our joint process plans for IDP, budget and PMS													
	4. Adoption of Process Plan by Council													
	5. Evaluate the changed circumstances													
	6. Review IDP Implementation Plan (by reviewing alignment of objectives strategies and projects against the METF budget)													
	7. Align the strategic framework with internal and external policies													
	8. Submit the draft reviewed strategic framework to the Technical Team and IDP Rep Forum													
	9. Determine funding availability and requirements and all the necessary preparations													
	10. Determine which sector plans need to													

	Key Activities	Respo	1st Quarter			2nd Quarter			3rd Quarter			4th Quarter		
			J	A	S	O	N	D	J	F	M	A	M	J
	be reviewed and commence with the process of reviewing thereof													
	11. Integrate Reviewed Sector Plans into the IDP.													
	12. Conduct Workshops/Meeting with other relevant structures													
	13. Hold strategic sessions with sector departments and feed local analysis into sector strategic plans thereof.													
	14. Confirmation and update of the socio-economic and service backlog statistics													
	15. submit 1st draft IDP review to Technical Team and IDP Rep Forum for recommendations													
	16. Submit 1st draft IDP review to Council for noting													
	17. Submit 1st draft IDP review to province(DLGTA) for assessment by service providers													
	18. Attend IDP/Budget Roadshows													
	19. Incorporate comments received from IDP Provincial													

	Key Activities	Respo	1st Quarter			2nd Quarter			3rd Quarter			4th Quarter		
			J	A	S	O	N	D	J	F	M	A	M	J
	Assessment and all other outstanding comments													
	20. Commence with the review and development of PMS and SDBIP													
	21. Align all IDP Objectives with those on the PMS/SDBIP													
	22. Submit SDBIP within 14 days after Budget approval													
	23. Submit IDP, budget and draft SDBIP													
	24. Advertise the Adopted IDP													
	25. Submit PMS/SDBIP to council for approval													
	26. Incorporate comments received													
	27. Submit final draft IDP review to Council for adoption													
	28. Advertise IDP for public comments													

SCHEDULE OF MEETINGS

ACTION PLAN	TIME FRAME
Adoption of a process plan by Council	31/08/10
Steering Committee Meeting to revise situational analysis	09/09/10
IDP Rep Forum	29/09/10
Steering Committee to consider revised strategies	14/10/10
IDP Rep Forum	28/10/10
Steering Committee for consideration of Projects	09/11/10
IDP Rep Forum	18/11/10
District Sector Forums	09/12/10
Budget steering committee	14/12/10
IDP steering committee for integration	13/01/11
IDP Rep Forum	25/01/11
Budget Steering Committee	17/02/11
District Lekgotla	
IDP Rep Forum	10/03/11
Council Meeting to adopt draft IDP and Budget	31/03/11
IDP, PMS & Budget Roadshows	01-30/04/11
Public Comments	16-30/04/11
Council Meeting for adoption of Final IDP & Budget	31/05/11
Draft SDBIP	19/06/11

5.4 COST ESTIMATE FOR THE PLANNING PROCESS

Council has received grant funding from the Department of Local Government and Traditional Affairs for the IDP review process. It is proposed that this grant be utilized for the planning process as outlined below:

ITEM	COST ESTIMATE
IDP Advertising	15 000.00
Workshops and Meetings	60 000.00
IDP / Budget Roadshows	300 000.00
Translating Costs	20 000.00
Reviewal of sector plans	8 000.00
Stipend	42 630
Baseline studies	0
Total	**445 630.00**

The IDP review is mainly done in-house; the planning process will therefore to a large extent be accommodated within the available funding. However, additional funds may be obtained from other sources and such funds will be utilized to complete certain aspects of the review process such as the sector plans that might need specialist assistance

Approval, monitoring and Evaluation Tools

Frequency		Contents	Submitted to
Budget Statement	Monthly	Municipality's monthly expenditure, revenue, borrowings and income.	The Mayor & Provincial Treasury
Quarterly Reports	4 Quarters of the financial year	Quarterly progress on service delivery and financial state of the municipality.	EXCO and Council
Mid-year Budget and Performance Assessment report	Half yearly-by 25 January of each year	Municipality's service delivery performance during the first half of the financial year.	The Mayor, National and Provincial Treasury
Annual Report	End of each financial year	Municipality's annual performance on service delivery.	Council

The performance Management system is in place for monitoring performance in line with the IDP. This system will also be utilized for monitoring, measuring and evaluating performance against set objectives, strategies, targets, programmes and projects.

5.4.1 Mechanisms And Procedures For Community And Stakeholder Participation

Ingquza Hill Local Municipality will develop a Public Participation Strategy, which outlines the programme for public participation. The strategy will guide community participation and engagement in the area. The strategy will promote a number of participation mechanisms to enhance meaningful community involvement in matters of local government. Amongst the participation mechanisms utilised by the Ingquza Hill municipality is community based planning, outreach programmes, representative forum and direct communication through ward structures, traditional leadership, adverts, print and radio including ward committees and Community Development Workers (CDWs).

The Constitution stipulates that one of the objectives of municipalities is "to encourage the involvement of communities and community organizations in the matters of local government". The White Paper on Local Government also put emphasis on public participation. Through the Municipal Systems Act participation in the decision-making processes of the municipality is determined to be a right of communities, residents and ratepayers. The IDP has to a large extent addressed these legal requirements.
In the quest for sustained communication and engagement with local communities and other stakeholders, the Ingquza Hill municipality has embarked on the structured meetings with communities. Other forums do exist which complement the IDP community engagement initiatives which include the local tourism organizations, disaster and fire management forums local economic development forums and Intergovernmental relations clusters.

Furthermore, Ingquza Hill Municipality is in the process of developing the Communication Strategy . The strategy outlines the processes to be followed in communicating with the public and modes for communication. The municipality utilizes ward committees and Community Development Workers, traditional leadership and special programmes forums, Local economic development forums, and agricultural forums for public participation. The ward committee meetings are held on a quarterly basis for reporting progress to communities. The following methods are being utilized for reaching out to communities:

- IMBIZO focus weeks are set by the cabinet and enable the community to interact with politicians and officials, from all spheres and to discuss the service delivery and government programmes and opportunities available for the public. The local municipalities and the District municipality work together in planning these events and liaise with the Office of the Premier and Government Information Systems for the deployment of Ministers and MECs. Outreach programmes are held twice a year in August and February to interact with the public around service delivery and development issues

- In line with the legal prescripts of the Municipal Systems Act the establishment of the Representative forum is advertised in local news paper calling upon interested parties to be part of these forums.
- Language use is observed to limit the language barrier that could cause the public not to participate fully in matters of government. Two languages are being utilized (English, Xhosa,). The use of Isimpondo as a third language or dialect is conteplated
- IDP and Budget outreach programmes are conducted after the draft IDP and Budget has been finalized for comment by the public.
- The Ward Committees, the CDWs, the community liaison officers and ward councilors assist in mobilization of communities towards ward meetings.
- The comments of the public to the IDP and Budget are noted and the responses to the public comments are also minuted for further feedback.
- These comments are further disseminated to other government departments through intergovernmental relations structures to take appropriate actions.
- The public is further consulted through other forums and following methods: Information days, Advertisements, Agricultural forum Local Tourism For a, Roads Forum, Health Advisory Committees, Standing committees, ward meetings and Special Program forum Meetings. Community Based Planning, Disaster Management meetings and outreach, Area Based Planning Meetings. IDP Representative Forum. The Councilors work in wards with committees and communities to ensure optimal participation of communities. All stakeholders had were given an opportunity to participate effectively in all the phases of the IDP process.

To ensure effective participation the following structures were entrusted with the following tasks:

- Municipal Manager – To co-ordinate participation by all structures
- Council – To Ensure the democratic involvement of people in governance
- Steering Committee – To serve as a resource to the representative forum by advising and integrating the forum input
- Representative Forum – To serve as a public forum for debates where various interests groups influenced government decisions.

5.4.2 Ward Committee involvement in the Development of IDP

The Ward Committees play a major role in the development of the IDP. Each ward committee member is responsible for different sectors and port folio as offered by the municipality. This structure support the mobilization of communities to enable them to participate in drive their development.

5.4.3 Involvement and participation of Traditional Leaders in IDP Processes

The traditional leader's forum is in place. Its main purpose is to bring on board and ensure that participation of traditional leadership to matters of local government does take place. The municipality has strategies to involve traditional leaders and their communities in the

IDP process. The municipality involves traditional leaders through its representative forums and targeted involvement through a committee specifically aimed at bringing traditional leaders on board to development matter.

5.4.4 INSTITUTIONS FOR COMMUNICATING

The municipalities, libraries, tribal authorities, ward committees, communication offices, schools, clinics, radio are utilized for communication.

5.4.5 INTERGOVERNMENTAL RELATIONS

An intergovernmental relations framework policy was adopted by Ingquza Hill Municipality a means to strengthen relations between all spheres of government. More work needs to be done though towards the establishment of clusters and reporting systems. The clusters to be established are social needs , the economic and infrastructure cluster, and the Safety and Justice cluster and the Governance and Finance Cluster. The plan is to have the clusters sitting Bi- monthly while their subcommittees meet monthly to discuss service delivery, policy , integration, coordination, monitoring, and evaluation issues.

5.4.6 OVERSIGHT AND INTERNAL AUDIT FUNCTION

5.4.6.1 INTERNAL AUDIT

The internal auditor audit function is performed internally. The functioning of the internal auditor is in line with the audit charter. The internal audit function is performed through outsourcing and is in line with section 125 of the Municipal Finance Management Act. This function is being performed within the parameters of the audit charter The function covers risk assessment, internal control, compliance and regularity audit, performance auditing etc. There is a code of ethics for this function, policies, procedures which are implemented in line with the prescripts of external audit.

5.4.6.2 External Audit

The table hereunder indicated the audit outcomes as provided by the Office of Auditor General on the Audit findings. There was clear move that the municipality had disclaimers in the first three years and the adverse disclaimer on the fourth year. Of importance, the municipality has leapfrogged its challenges and thus received the qualified audit opinion. This was a clear indication of progress made by the municipality in complying with legal or compliance provisions.

OPINION	2006/07	2007/08	2008/09	2009/10	2010/11
Unqualified					
Qualified					Qualified
Disclaimer	Disclaimer	Disclaimer	Disclaimer		
Adverse				Adverse	

5

The Municipality got the following audit opinions during

5.4.6.3 The Audit Committee

An Audit committee has been in existence 2008. The municipality developed an internal audit committee charter which was approved by the council on the 29 Sep 2008. The audit committee assist Ingquza Hill Municipality in fulfilling its oversight responsibilities. The committee evaluate matters relating to: Financial reporting process and accounting practices, the system of internal control, adequacy and effectiveness of risk management, internal and external audit processes, the process of monitoring compliance with laws and regulations, effective corporate governance. This committee is advisory in nature and as such is not responsible to for administrative functions and making decisions. The committee has a year planner that provides allowance for the four sittings per annum. These sittings are planned to suit appropriate times preceding the submission of audit matters to council meetings. The internal audit committee charter allows for the special meetings as and when necessary.

5.4.6.4 Oversight Committee

Ingquza Hill Municipality has the oversight committee in place. The role of this committee is to ensure compliance with MFMA in so far as the submission of annual reports , dealing with reportable items , adjustment budgets and the general monitoring of the implementation of council resolutions.

5.5.1 HIV AIDS Main Streaming

The HIV and AIDS Plan is to be developed. The strategy will capture Nutritional issues , Treatment, Care and support for people living with HIV and aids, Care and support for Orphans and vulnerable children, Promotion of Human rights and Justice. The plan will specify the budget and time framed activities aimed at dealing with HIV and AIDS pandemic

5.5.2 Gender Mainstreaming

Gender equity is considered in lined with the Employment Equity Plan, though improving it has not reached an acceptable stage.

5.5.3 Special Group Mainstreaming

The special programmes are currently being mainstreamed within the procurement processes of the municipality. The institutional arrangements supporting the youth, women, disabled, the elderly and the children (special groups) exist within the municipality. The

Special programmes unit is in place but lacks funding to implement some of the programmes necessary for these groups.. The plans for developing the special groups have to be developed and some reviewed as the special group needs and aspirations must have changed over time. The review of these plans will have to be considered in the current budget. The special groups are accorded special preferential procurement treatment and mainstreamed in the supply chain management policy of the institution

5.5.4 ANTI CORRUPTION

The municipality will develop the anti- corruption policy / strategy. The legal services department and the justice and safety and security cluster will support this initiative. The aim of the policy is to ensure that the municipality concentrates its efforts in preventing fraud and corruption, rather than responding to it. The policy requires all role-players within the municipality and dealing with the municipality to refrain from committing fraud and other acts of dishonesty against the institution, assist in the nurturing of a fraud free environment at the work place, maintain absolute integrity in all dealings with the institution, comply with all internal controls, adhere to the principles and prescripts of the Code of Conduct, the Code of Ethics and the legislative framework..

5.6.1 APPROVAL, MONITORING AND EVALUATION TOOLS

Monitoring tools for the implementation of the IDP will include, Monthly Budget Statements that will be submitted to the Executive Mayor and Provincial Treasury, Quarterly reports to Council reporting on service delivery and the financial state of the municipality, mid-year budget and performance assessment report and annual report. These reports, once adopted by Council, are public documents and are made available to ward communities through ward councillors. They will also be published in the municipality's website.

5.6.2 IDP APPROVAL AND MARKETING

The draft IDP, PMS, SDBIP and the budget were taken to the council for adoptions in March 2011. The marketing of these documents was undertaken through physically delivering them to libraries, to the municipalities, tribal authorities, and announcing their availability in convenient and accessible places over radio and through adverts and website. The community's members who are not able to write their comment s were to be assisted by the IDP offices, CDWs, as well as the ward committee members.

5.6.3 PERFORMANCE MANAGEMENT

IDP assists the municipality to benchmark its performance and services as a framework through which to measure performance of council structures , administration and role of communities. An important aspect related to the IDP process is performance management. The Municipal Systems Act, 2000 (section 38-49) specifies that a municipality should establish a performance management system that is in line with the priorities, objectives and targets contained in the IDP. Through this a culture of performance management should be instilled among municipalities' political structures, political office bearers and

councillors and in its administration. This should be done in order to ensure an effective and efficient and accountable administering of the municipality's activities. The Act specifies that the Municipal Manager plays an important role in this regard, especially against the backdrop is this position's accountability principle.

Performance management system should:

- be developed;
- be properly monitored and reviewed;
- key performance indicators should be set in terms of the institution's performance related to the IDP and its intra-institutional performance;
- measurable targets should be set for development priorities and objectives;
- include mechanisms and process for community participation and involvement;
- be made known to the public and institutionally (KPIs and targets);
- be subjected to regular audits;
- be reflected in the annual report

SECTION SIX: SITUATIONAL ANALYSIS

6.1 SITUATIONAL ANALYSIS

The purpose of the situational analysis is to provide an overview of the existing situation by focusing on the relevant aspects of the situation which will enable the management of the municipality to make appropriate management decisions. The Municipal Systems Act requires an assessment of the existing level of development in the municipal area, including an identification of communities which do not have access to the basic municipal services. This prescription should however be seen in the broader context of what information should be at the disposal of the municipality to enable its management to make decisions which are both strategic and practical in terms of their implementation.

The situational analysis should provide decision makers with sufficient knowledge of the nature of the priority issues and problems, existing and accessible assets and resources as well as resource limitations within their municipal area to enable them to make efficient and effective strategic decisions. This chapter provides descriptive data across a range of socio economic indicators of Ingquza Hill Local Municipality. In some cases trends in the municipality have also been compared with trends at district level in order to understand these in their regional context. This is crucial as it provides the municipality and its social partners with deep insight into local socio-economic trends patterns and development challenges.

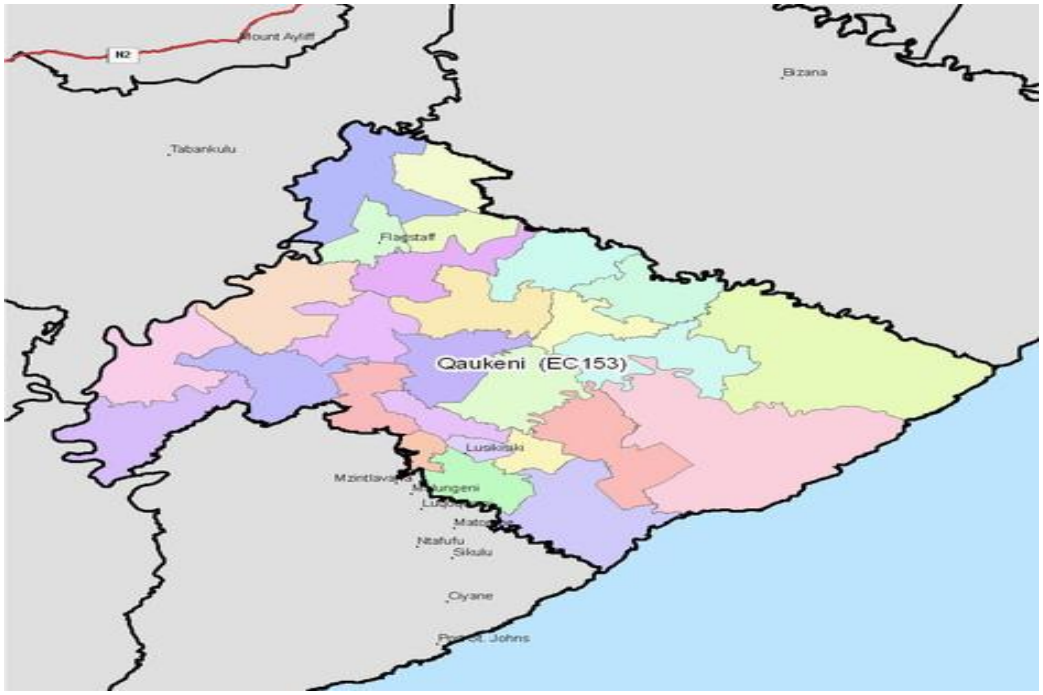


Figure 1 Locality map of Ingquza Municipality

6.2 DEMOGRAPHIC INFORMATION:

6.2.1 Population size and distribution

Ingquza Hill Local Municipality has an estimated total population of 279 795 people according to the Community Survey conducted by Stats SA. It is estimated that the population growth rate is 1.2% per annum. The population density in was calculated at 234 people per square kilometre which is very high considering that the majority of the population is rural. The municipal area is predominantly rural in nature and the majority of the population reside in the rural areas

6.2.2 AGE AND GENDER COMPOSITION

Approximately 46% of the population of Ingquza Hill are 15 years or younger. 48% of the population are between the ages of 15 and 64 years and can be considered economically active despite the scarcity of employment in the municipal area. 6% of the population are 65 years and older. The burden of supporting the youth and the elderly falls therefore falls onto the shoulders of the 15-64 age groups. The high number of young people suggests that service provision and social upliftment should be targeted at the youth and should be an important consideration for development.

Approximately 55% of the Ingquza Hill population is female and the remaining 45% is male. This gender distribution is in line with the national trends. The statistics reflect a discrepancy in terms of the gender distribution between the 0 – 4 age category and the other categories. The male / female ratio in this group is equal, whilst in the remaining categories the female gender is predominant. A possible explanation for this is the outward migration patterns, once children reach their teenage years. Males tend to migrate to other areas in search of education and work, while females tend to remain behind to serve their families. A gender sensitive approach to development is therefore needed.

Population distribution based on gender and age.

Chart 1: Population Age & Gender Pyramid [2001]

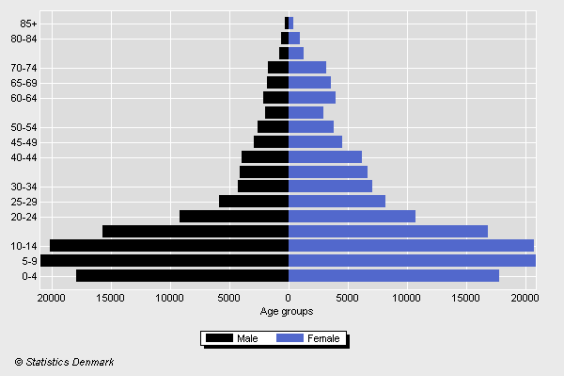
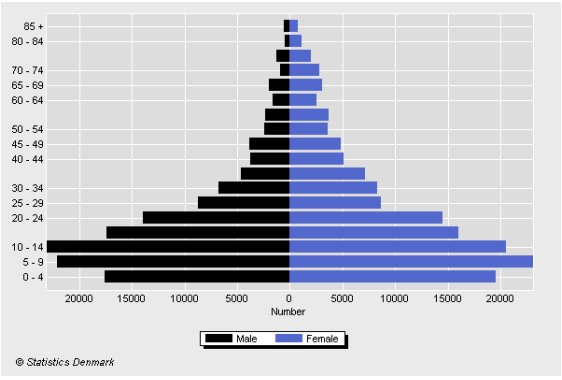


Chart 2: Population Pyramid [CS 2007]



Source: Census (2001) Source: Community Survey (2007)

6.2.3 RACIAL COMPOSITION

The municipal area is low in racial diversity and more than 99% of the inhabitants are African. The remaining 1% is comprised of Coloured, White and Indian racial groups.

6.2.4 DISABILITY LEVELS

5.4% of the population of Ingquza Hill have some form of disability. The highest number of people have physical disabilities (25%) followed by those with visual impairments (20%), hearing impairments (17%) and emotional and intellectual impairments (13%). 8% of the people with disabilities have a combination of more than one of the disabilities listed.
This group is one of the most vulnerable groups in society. The precarious position of these groups is aggravated by high levels of poverty and low employment rates and skills levels. Improvement of the economic and employment rate will improve their chances of becoming economic active. People with disabilities suffer from multiple forms of discrimination and an extra effort needs to be put in place to ensure that their needs are addressed. In any given society, structures should be established to give special attention to people with disabilities. Conditions should be made conducive to enable them to become economically active.
The available public and private places do not cater for people with disabilities and public transport is another challenge. To access disability grants, these people have to go through strenuous exercises to prove their disability. At times this arrangement proves to be a failure as approved doctors are not easily accessible.

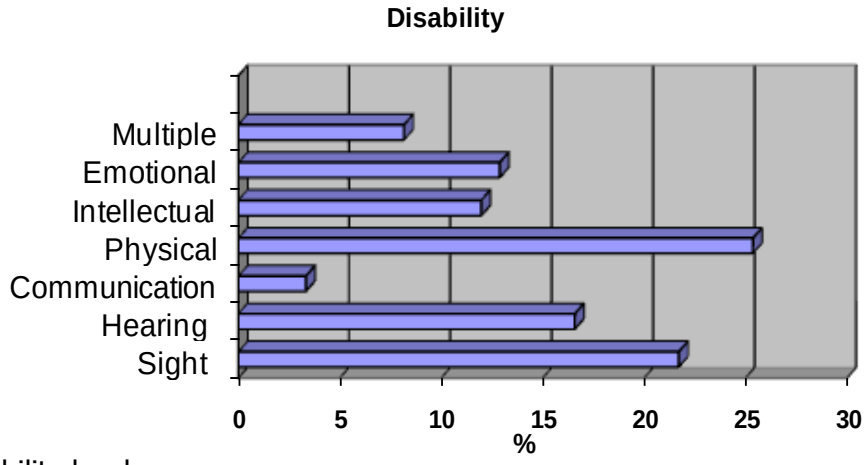


Figure 5: Disability levels

6.3 ECONOMIC INDICATORS

6.3.1 Gross Value Added

As shown in table below, a further deconstruction of the GVA by broad economic sectors however reveal more interesting trends. On the positive side the first noteworthy observation is that, in the six years since 2001 the construction sector GVA grew by 71% at an annual average rate of just under 12%. It can safely be assumed that the growth of this sector has been a result of the various investments in infrastructure by all spheres of government. Given the extent of the backlogs and the further fiscal allocations to infrastructure, this sector is expected to remain critical for some time to come. A second noteworthy observation is that, finance was the second largest contributor to the Ingquza Hill GVA growing by an impressive 46% since 2001 at an annual average rate of about 8%.

On the negative side it is worth noting that, agriculture, mining and electricity have experienced negative growths of 16%, 20% and 27 respectively. According to the Standard Industrial Classification Codes (SIC) the agricultural sector includes establishments which are primarily engaged in farming activities such as the growing of field crops, the raising of livestock and the production of milk, wool and eggs. Establishments rendering agricultural services such as harvesting, baling, threshing and spraying are also classified under this major division. Also included are establishments engaged in commercial hunting and game propagation and forestry, logging and fishing.

While mining and electricity is comparatively marginal sectors Ingquza Hill has a comparative advantage in agriculture. The observed decline in this sector is probably solely responsible for the lacklustre performance of the Ingquza Hill economy during the period under review. The decline in agricultural output has several implications for the Ingquza Hill economy. On the one hand it indicates that, Ingquza Hill economy produces very little of what it consumes and depends almost entirely on imports of basic food stuffs. This trend does not only signal high degree of economic leakages bit also lost employment opportunities. On the other hand, economic literature regards agriculture is a basic economic sector capable of raising local export income. In view of the strategic nature of this sector, it is crucial that further investigations is carried on first the causes of the observed decline but most importantly on what is required to resuscitate the sector.

Table: GVA Contribution by Broad Economic Sectors [R 1000, Constant 2000 Prices]

	2001	2007	% Growth	Average Annual Growth
Agriculture	26,904	22,701	-16%	-2.6%
Mining	2	2	-20%	-3.4%
Manufacturing	28,252	31,071	10%	1.7%
Electricity	1,389	1,016	-27%	-4.5%
Construction	10,051	17,225	71%	11.9%
Trade	159,818	183,282	15%	2.4%
Transport	11,850	14,081	19%	3.1%
Finance	29,952	43,811	46%	7.7%
Community services	227,831	258,530	13%	2.2%
Total Industries	496,049	571,719	15%	2.5%

Source: Global Insight (Rex 2.1e)

6.3.2 Tourism

The municipality has significant potential for developing a community based tourism industry due to its unique attractions. The Wild Coast represents an international destination potential provided the infrastructure, accessibility and safety/security environment are improved. There is a lot of potential in the tourism, forestry and agriculture industries. The projects that result from the ASGISA programme as driven by the Deputy President of the Republic present an opportunity to stimulate the economic growth; the following projects must be noted:

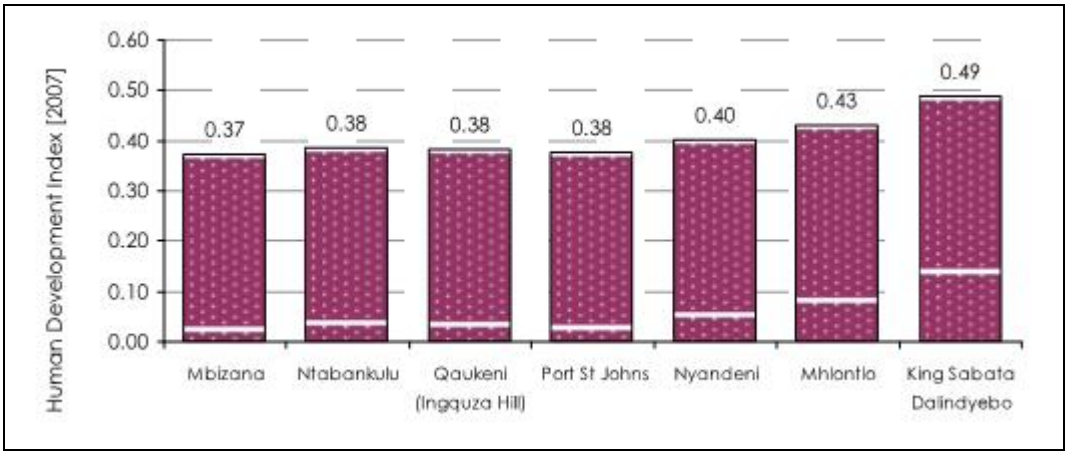
- Umzimvubu catchment project
- N2 road that will be traversing the municipality

6.4.1 The Human Development Index and Poverty Gap

The Human Development Index (HDI) is used as an indicator of development. The HDI is calculated by measuring the overall achievement in respect of the three basic dimensions of human development namely longevity (life expectancy), knowledge (literacy) and standard of living (income). If the HDI is less than one then it is concluded that the area is poor. The HDI for Ingquza Hill municipality is 0.41 and this reflects the highest levels of poverty. This trend is also apparent at district level with all municipalities recording figures below 0.56% (which is the provincial index).

The poverty gap is an indicator of the depth and incidence of poverty, which is calculated by the difference between the income of each poor household and the poverty line. It is common knowledge that income and wealth distribution in South Africa is among the most unequal in the world, more especially the inequality between the former homeland areas and the rest of the country. The poverty gap for the OR Tambo district is 49.6%, which is second in the province to Alfred Nzo's 52.6%. There are no statistics calculated for Ingquza Hill Municipality but it is believed that the district picture provides an adequate reflection.

Chart 3: HDI by Municipality [2007]



Source: Global Insight (Rex 2.1e)

South Africa was in 2005 ranked 125 out of 179 countries in terms of HDI. At the time, South Africa's HDI stood at 0.67 and has since experienced declined to 0.59. Meanwhile the Eastern Cape HDI has increased from 0.52 on 2001 to 0.53 in 2007. The Ingquza Hill HDI on the other hand has remained unchanged at 0.38 during the same period. As shown in chart 5 above falls below that of Nyandeni, Mhlontlo and King Sabata Dalindyebo.

6.4.2. Household statistics

According to the statistics from the Community Survey there are 48 701 households in the Municipal area, and the average household size is 6 persons per household. Household income levels in the area are generally low. According to Community Survey, less than 1.4% of households earn above R76 000 per annum or R 6333 per month. More than 97% of households in this municipality have to live on an income of less than R800 per month. 63% of households are headed by women and 37% by men.

Percentage distribution of households living in formal and informal dwelling

Type of dwelling	Census 2001	CS 2007
Informal	**31.6**	**19.2**
Formal	**2.3**	**1.8**

Percentage distribution of households by toilet facility

Type	Census 2001	CS 2007
Pit Latrine	**28**	**25.2**
Bucket	**2.0**	**1.1**

No toilet	**65.4**	**38.6**

Percentage distribution of households by type of energy/fuel used for lighting

Use of energy	Census 2001	CS 2007
Lighting	**13.2**	**51.4**
Cooking	**3.53.8**	**15.5**
Heating		**8.9**

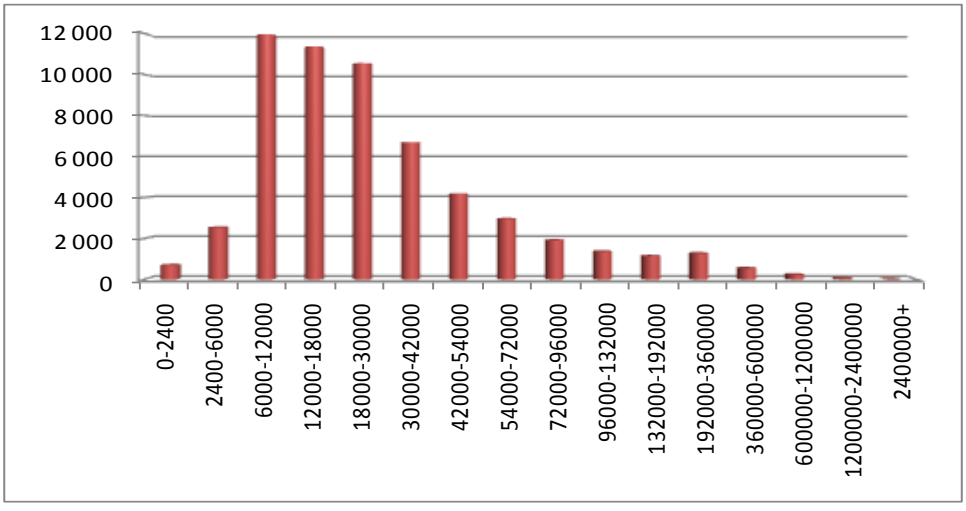
Percentage distribution of households by type of refuse disposal

	Census 2001	CS 2007
Removed by LM	**3.1**	**1.2**
No refuse disposal	**36.4**	**22.0**

Percentage distribution of households by type of Water Source

Water Source	Census 2001	CS 2007
Piped water inside dwelling	**0.6**	**3.1**
Piped water inside yard	**2.5**	**2.7**
Piped water (tap) outside yard	**16.2**	**35.9**
Total Piped water	**19.3**	**41.7**

Chart 4: Number of Households by Income Category



Source: Global Insight (Rex 2.1e)

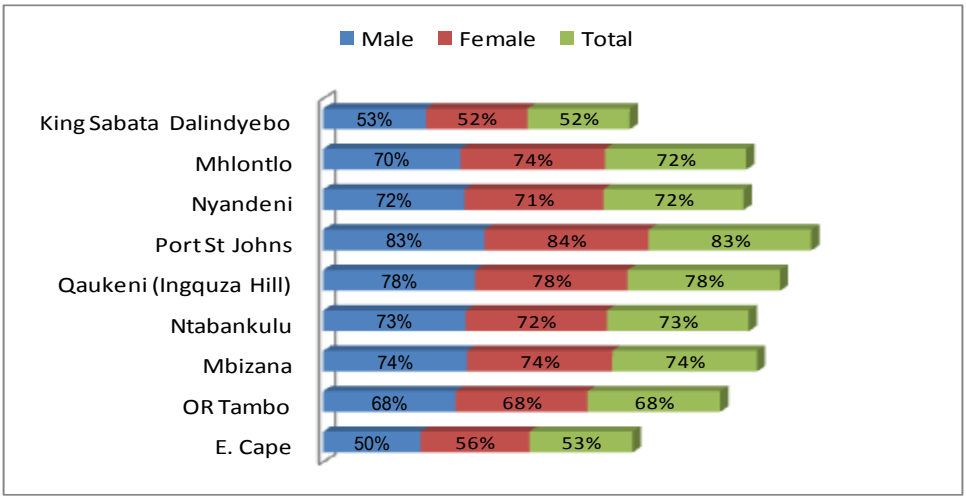
Chart 5 above shows that roughly 71% of all the Ingquza Hill households earn between earn between R6,000 and R42,000 per annum with the largest category being between R6,000 and R12,000. Among others things, household income is a big factor in determining the individuals buying power and rates of income poverty.

6.4.3 Employment and labour trends

The O.R. Tambo District has an unemployment rate of 77%. The unemployment rate of Flagstaff and Lusikisiki is at an average of 66%. High unemployment rates negatively impact on municipalities as low affordability levels result in a poor payment rate for services. The labour market is highly concentrated in the community services sector followed by household and agriculture sector. These dominant sectors do not guarantee job security and the associated wage rate is generally below the poverty line. Primary growth sectors which should ideally be the highest contributors to economic development like manufacturing, transport, trade and financial services are yielding relatively very low contribution towards job creation. The result of this is that Ingquza Hill is characterised by a narrow economic base, which contributes to the high levels of unemployment and poverty. Resources need to be invested in the primary growth of sectors like agriculture, manufacturing, transport and trade to prevent the unemployment rate from rising. Figure 8 Formal sector employment.

Unemployment in Ingquza Hill stands at 78% (2007) which is quite high compared to the province (53%) and OR Tambo (68%). Also worth noting is that Ingquza Hill unemployment rate is the second highest within the OR Tambo District municipality. It is the objective of national government to halve unemployment by 2014. For this to be achieved all spheres of government need to make their own contribution. In this regard, Ingquza Hill must bring its unemployment rate to below 35% within the next coming 7 years. This is no doubt a toll order which requires the economy to grow at a rapidly high rate.

Chart 5: Rate of Unemployment [% 2007]



Source: Global Insight (Rex 2.1e)

Ingquza Hill is situated relatively far away from the hubs of economic activity in the Eastern Cape. It is traversed with R61 links Durban to Port St Johns which creates certain potential in terms of future economic development; there is also a proposed N2 toll road that will traverse the Municipality along the coast which shall bring new opportunities economically and in transportation and mobility. The urban nodes of Flagstaff and Lusikisiki fulfil the commercial needs for the area as well as residential needs of the people working in the two town centres. The remainder of the area is predominantly rural in nature.

This predominantly rural nature of the majority of the municipal area gives rise to the expectation that the agricultural sector should be the key contributor to the economy of the area. The relatively low contribution of the agriculture sector to the GDP of the area has a negative impact on the provision of food security and job creation in the area. The Agricultural Research Council (ARC), in association with the University Of Fort Hare and other research institutions, has developed a comprehensive agricultural potential survey for the entire O.R. Tambo district (QLM, 2006).
The purpose of the survey was to unearth areas where the potential for agricultural development exists. The survey focused on soil analysis, climate and agricultural potential. Suitable areas for specific crops were identified and a quantum of land identified for the development of those crops.

Crops with high levels of potential include:

- Maize
- Sorghum
- Dry beans
- Cabbage
- Potatoes
- Tea

- Avocados

Ingquza Hill has the advantage that it has fertile soil and rivers which can be used for irrigation purposes. The agriculture potential is also dispersed throughout the municipal area making it possible to diversify intensive crop farming which in turn provides a good basis for investment on poverty alleviation programs and local economic development. The survey also identified small pockets of potential livestock farming land. It was observed that if properly managed and developed, the production of beef, milk, wool and leather are potential sources of economic development.

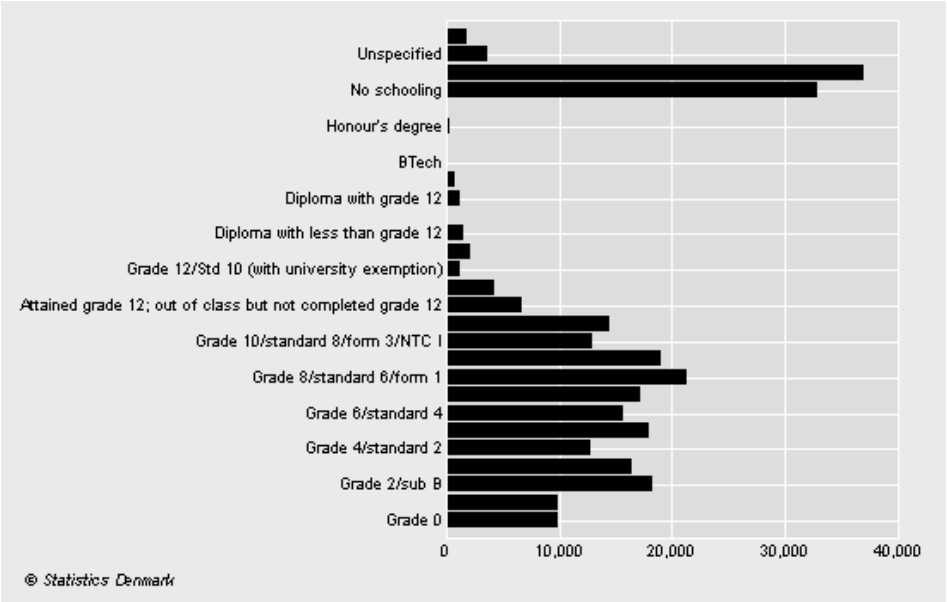
In order to facilitate the growth of this sector and utilize available opportunities, there is a need to invest in infrastructure and community development and support. Forestry and logging have been identified as the sectors with the highest potential. It is estimated that about 5000 hectares of land could be developed for new forestation and the commercialization of existing jungle forests. Existing areas currently planted under DWAF management are estimated at about 3500 hectares.

Development of this sector needs to be done in a sustainable manner with due consideration of conservation principles. The municipality has also identified tourism, mining, quarrying, aquaculture and fishing as sectors where economic development can take place

6.5 SOCIAL INDICATORS

6.5.1 Education

Chart 6: Level of Education [Numbers, 2007]



Source: StatsSA (Community Survey, 2007)

As shown in chart 8 above a significant number (32,000) of people within Ingquza Hill have no form of education while another 18,000 have not gone pass matric/grade 12. As a result,

the number of those who have passed grade 12 and gone to obtain post matric qualification is quite high.

The area is characterised by poor literacy levels and low educational levels. Only 2, 4% of the population have a matric and only 1, 4% of the population have post matric qualifications. Comparisons of the levels of education across the municipalities point to strong links between low household incomes, high unemployment and a low human development index.
As a consequence of the lack of formal education, functional literacy for the areas is also low. Functional literacy is estimated at 48% which is also the average for the district. The low levels of education imply a need for adult education and skills development programmes, improvement in access to schools and resource allocation to enhance opportunities for further training.

6.5.2 Health

The municipality has two hospitals and 41 clinics and five (Tembukazi, Mbhayi, Bukazi, Buhlanyanga and Good Hope) more clinics will be constructed in this financial year.
Child health
Region D is characterised by poor health levels of children. The region has an under 5 mortality rate of 88 deaths per 1 000 live births, which is much higher than the national average of 59 deaths per 1 000 live births. Immunization coverage is also low and only 58% of children below the age of 2 have been fully immunised which is below the national average of 63%.
The indicators for child health reflect the impact of exclusion and limited access to services and resources in former homeland areas. Given these poor indicators, and given that such a large portion of the region's population are in fact children, health service interventions should be particularly focused on child health.
Adult health
The biggest threat to adult's health status in the district is HIV/AIDS. The average prevalence rate of Ingquza Hill is 20, 2%. The average prevalence rate for region D is even higher at 22.1% according to statistics released in 2000 (ECSECC, 2002). Since Ingquza Hill is mostly rural, HIV prevention programmes have to deal with problems surrounding access to primary health facilities and services.
The impact of HIV/AIDS is exacerbated by the prevalence of tuberculosis. TB prevalence in region D is 16.4% which is high when compared with the provincial average of 10.3%. TB is generally associated with poverty and over-crowding. These factors are also evident in Ingquza Hill and it is essential that this be monitored to prevent an escalation of this figure.

6.5.3 Safety and security

There are four police stations in the municipal area, namely Flagstaff, Hlababomvu, Lusikisiki and Mtontsasa. Police have established community policing forums. They are also facing difficulties in implementing crime prevention strategies in urban areas because of poor street

lighting and overgrown vegetation. Justice is administered through tribal courts and the formal court system. The formal court system is used to refer cases that cannot be resolved to the satisfaction of all parties in tribal courts in the rural areas although some cases do get to the formal courts system before they are tabled in tribal courts.

6.5.4 Infrastructure

Service infrastructure plays a critical role in the development of the economy of the municipal area as well as the maintenance of environmental and health standards. Service backlogs are rampant. The other reality is that areas with huge infrastructural backlogs tend to do poorly in attracting investment. Whilst it has favourable geographical conditions, this municipality has been unable to attract established industries to come and invest in its area. If it has to meet the Millennium Development Goals targets, all spheres of government must work together to improve bulk infrastructure investment.

6.5.5 Telecommunication

According to the 2001 census figures, 16% of the population have access to telecommunication in their homes either through a land line or their own cell phone. 56% have access to phones at a reasonable distance and make use of phones belonging to other persons or public telephones. 28% have no access or access at a location far from their homes. Telkom now operates an established telecommunications network throughout the region. Telecommunications were historically limited to urban areas, but are now being promoted in remote areas by means of the Digital Enhanced Cordless Telephone System (DECT). Vodacom and MTN have also installed transmitters that provide service to 13% of households.

6.5.6 Service delivery

Ingquza Hill Municipality will develop a comprehensive infrastructure plan which will reflect the all the infrastructure requirements as well as the cost implications. This will guide the planning and funding requirements. The plan will further guide and inform service delivery.

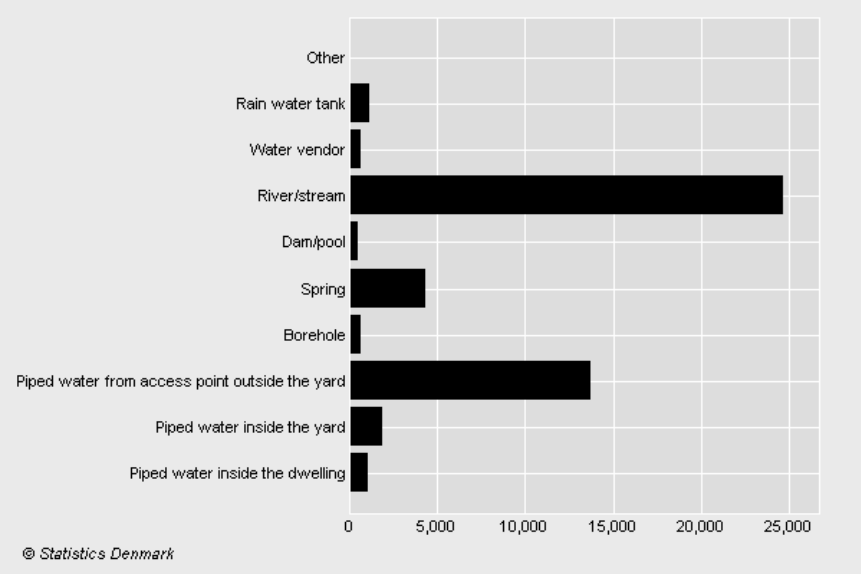
6.5.7 Water Services

Access to potable water is essential to survival, human health and development. There is a link between the provision of water and sanitation services. Sewer systems depend on water for their effective functioning. Ingquza Hill is one of the areas that have been adversely affected by human settlement patterns, global warming and poor infrastructure development, which in turn limits access to potable water which impacts negatively on both the quality of life and standard of living of the community.
The previous dispensation did not prioritize the development of bulk infrastructure in rural and homeland areas, and these communities were forced to rely on natural sources of water

such as rivers, streams and dams as a source of water for drinking and domestic purposes. According to Census 2001 figures, 70% of households at Ingquza Hill are dependent on natural sources of water such as boreholes, springs, tanks, rivers and dams. Only 21% of the population have access to RDP standard water in their homes. Of this 21% only 61% have access to piped water within 200 meters of their yard boundary. The following graph indicates the levels of access to piped water.

Figure 9: Access to potable water

Chart 7: Access to Water



Source: StatsSA (Community Survey, 2007)

While there have been some improvements in the provision of water a large proportion (24,000) of the Ingquza Hill population still depends on streams/rivers for water supply which falls far below the RDP level. Knowing that the majority of its citizens are still unable to access this basic right should spur Ingquza Hill into treating water provision as matter of extreme urgency.

OR Tambo has low RDP water service levels when compared to the national levels, with only 35.5% of the households in the district having access to RDP water services. Ingquza Hill Municipality has 34.2% of its population having access to water and moreover, has the third largest water backlog in the district (65.7%) and contributes 13.9% to the district backlog and 6.9% to the provincial backlog.

The maintenance levels of the existing infrastructure are also inadequate. Substantial water losses result from the poor levels of maintenance and the lack of community involvement in the area of water conservation. Ingquza Hill is not a water service authority, which affects the ability

of the municipality to directly respond to household water demands. Potable water supply is a district function and the district municipality is in process of and undertaking Section 78 Assessments to determine the most effective mechanism to render the service.

BULK AND WATER RETICULATION

OR Tambo District Municipality is the Water Services Authority and provides Bulk infrastructure. The water provision services are the responsibility ofOR Tambo This service has been funded with R 45m and R65m in 2009/10 and 2010/11 respectively. The next year budget stand R75m according the district records. The Municipal Infrastucture Grant is utilized to provide these services. In an attempt to boost revenue and to ensure that revenue collection does occur the municipality is planning to form a partnership with district municipality and utilize its own funds to install water meters and collect revenue in areas which have limited indigent status. Further utilization of funds belonging to municipality will be explored for more programmes to enable the institution to secure more revenue.

INFRASTUCTURE INVESTMENT PLANNING

Consideration has been made of infrastructure investment planning over the (MTEF) Medium Term Expenditure Term period to determine the affordable and sustainable multi-year targets as reflected in the budget.

CLIMATE CHANGE STRATEGY

Ingquza Hill Municipality in partnership with the department of Housing Local Govt and Traditional affairs, OR Tambo Disaster Management Centre will develop an climate change strategy which will provide quick proactive response mechanisms

SERVICE LEVEL AGGREEMENTS (SLA)

The following service level agreement have been signed between the municipality and the different stakeholders:

1. The SLA for registration and licensing of motor vehicles;
2. The SLA for monitoring Housing provision with the department of Housing;
3. The government departments for rendering services within the areas and use of local government structures in the wards . The government departments are also engaged on a one on one basis as linked to the services they offer and through IGR structures.

COMPLIANCE WITH ENVIRONMENTAL PRESCRIPTS

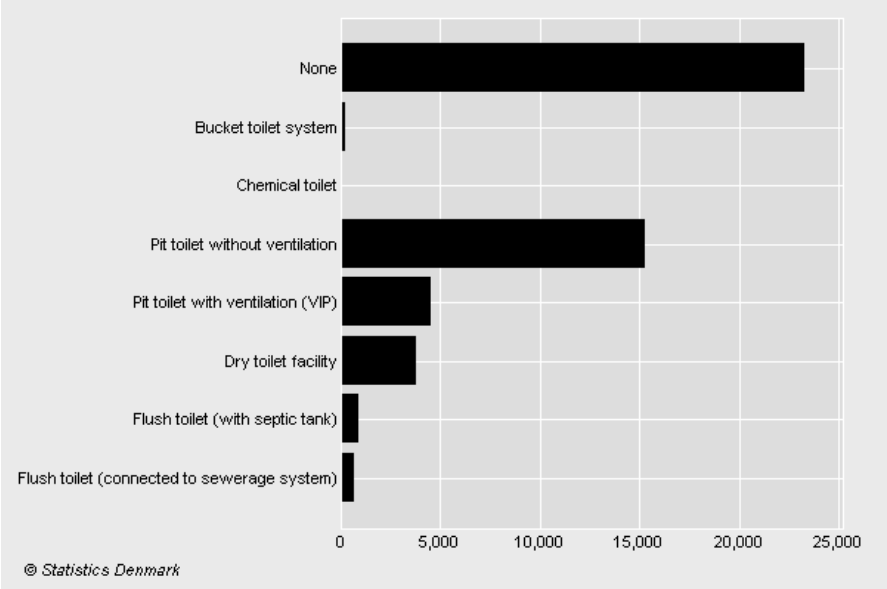
For programmes and projects implemented by Ingquza Hill Municipality the Environmental Impact Assessment are commissioned per programme to be implemented while the overall Strategic Environmental Assessment is planned for the whole are but due to lack of resources this programmed will be stalled until funds become available and financial support is availed from the departments which monitor environmental compliance.

6.5.8 Sanitation Services

The sanitation infrastructure is also not adequate to meet the demands of the households in the municipality. There is a high number of households with no access to sewer services and this reflects the sub standard levels of infrastructure development. Only a paltry number of households have access to a flush toilet. The majority of households are using pit latrines without ventilation or have no access to any form of toilets which may have negative impacts on both the health of the communities and the environment.

The following chart reflects the number access levels of households to different sanitation systems.

Chart: Access to Sanitation [Numbers, 2007]



Source: StatsSA (Community Survey, 2007)

In line with the Millennium Development Goals target, the government has set the year 2012 as the deadline for halving the backlog in access to basic sanitation. The government has also set the end of 2007 as a target to eradicate the bucket system. Whilst different systems will be put in place as interim measures to improve access to sanitation, the ultimate goal is to have a flush toilet in each an every household. The available statistics

demonstrate that the previous dispensation did not give priority to investing in water and sanitation infrastructure. Backlog figures for sanitation services within the Ingquza Hill Municipality stand at around 88%.

The Community Survey of 2007 indicates that 58.3% of the households in OR Tambo have access to sanitation services. Ingquza Hill Municipality has sanitation levels of 51.5%. OR Tambo DM has a sanitation backlog of 41.6% which accounts for 35% of the sanitation backlog of the province. Ingquza Hill Municipality with a sanitation backlog of 48.4% and contributes 15.9% to the district backlog and 5.5% to the provincial backlog.

6.5.9 Waste Management

The management of waste plays a crucial role in ensuring that communities are able to live in an environment that is conducive to their health and well being. Municipalities have an obligation to protect the environment for present and future generations and must take positive steps to minimize factors that impact negatively on the environment and the community living within the environment. Pollution is one of the factors that can lead to environmental degradation and detrimental living conditions.

The previous dispensation did little to manage and regulate the dumping of waste which led to the indiscriminate dumping of waste in close proximity to residential areas. This had dire consequences for the health and living conditions of these communities. The Ingquza Hill municipality is responsible for performing the cleansing, refuse removal, refuse dumps and solid waste disposal function. Cleansing in this context includes waste in public places, such as streets etc. The treatment and storage of waste is a bigger challenge, as suitable land has yet to be set aside and licensed for this purpose. The proliferation of settlements is also posing a serious challenge to the municipal planning process.

Currently, access to refuse removal services and cleansing is limited to the urban centres of Lusikisiki and Flagstaff. There is a general lack of access to refuse removal in the municipality with only 28% of households having access to this service. The majority of households resort to environmentally insensitive and illegal mechanisms for disposing of waste which in turn pose health risks to the community. Littering is prevalent throughout the entire municipality as is the discarding of dangerous forms of waste such as scrap metal. There is no municipal beach cleaning service in the coastal area. The Ingquza Hill has not been able to prioritize waste management and the table below reflects the levels of access to refuse removal services.

Project	Budget 10/11
Roads	**R 2 Million (2010/11)**
Sanitation	**R 77,5 Million (2010/11)**
Water	**R 12 Million (2010/11)**
Total	**R 91,5 Million (2010/11)**

The then status of access to refuse disposal is indicated in a table below:

Refuse removal	Households	Percentage
Removal by local authority at least once a week	1265	2.62%
No rubbish removal	46994	97.28%
Own refuse removal	50	0.1

The above figure includes rural households where municipality hasn't started collecting refuse.

The following achievements were realized:

Refuse removal has increased from 1265 to 1617 households. Current status is shown below:

Refuse removal	Households	Percentage	Improvement
Removal by local authority at least once a week	1617	3.35%	22%
No refuse removal	46994	97.28%	0%
Own refuse removal	50	0.1	0%

OR Tambo has low refuse removal service levels, with only 8.9% of the households having access to refuse removal services. The Community Survey of 2007 indicates that OR Tambo has a refuse removal backlog of 91% and contributes 34% to the provincial backlog. Ingquza Hill has the fourth highest refuse removal backlog of 95.3% and contributes 14.3% to the district backlog and 4.8% to the provincial backlog.

6.5.10 Electrification

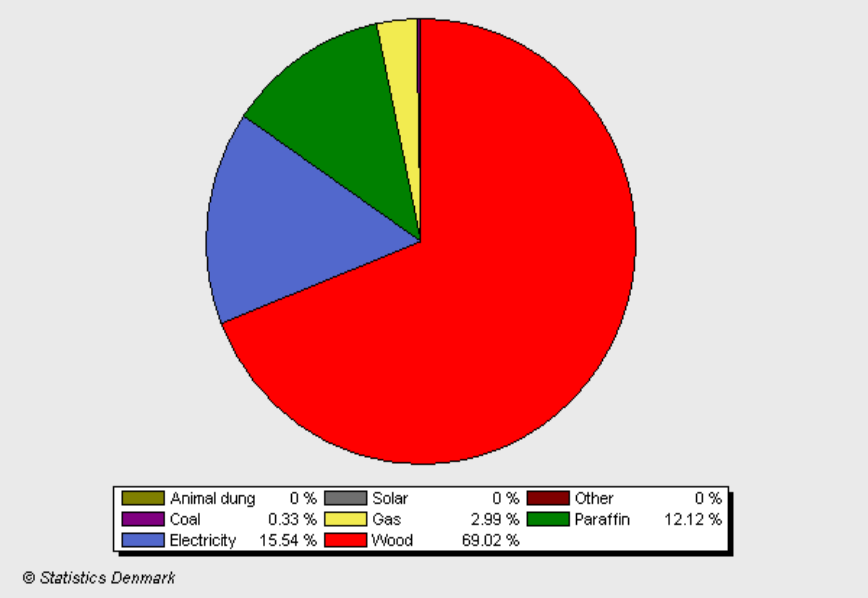
The electricity sector has been in a state of limbo over the last few years as the electricity distribution industry (EDI) grapples with the concept of regional electricity distributors (RED's). There is still lack of clarity about how they will relate to local government. This probably stems from the fact that policy has been driven by the electricity sector with insufficient engagement with municipalities who remain, after all, responsible for providing the electricity reticulation service in terms of the Constitution.

In principle, six REDs will be established, each with their own boundaries. The RED's will cover the whole country. This has been approved by cabinet and the EDI is proceeding with business planning for these entities. There is a principle agreement at national level that those municipalities, which appoint RED's as service providers, will give up their assets to the RED concerned. In return they will be given shares in the RED. Therefore the RED's will be co-owned by national government (contributing the assets associated with Eskom's current distribution system within the RED) and a group of municipalities. The basis for the allocating of shares has not been finalised yet.

In order to compensate municipalities for the loss of revenue from sales of electricity, it has been agreed in principle that the RED will pay a levy to municipalities it serves. At this stage the basis for calculating this levy is uncertain. Outside the metros a decision has to be taken as to whether the district or local municipality will be the service authority. The current status is that the position prior to the year 2000 holds, namely those local municipalities is the authorities. This is further confirmed by the fact municipalities such as Ingquza Hill receive the electricity component of the equitable share allocation as well as the free basic electricity allocation.

According to the Community Survey (2007) almost 70% of the Ingquza Hill citizens still use wood for cooking; 12% rely on paraffin and only 15% use electricity.

Chart: Access to Energy for Cooking [Numbers, 2007]



Source: StatsSA (Community Survey, 2007)

Energy has social, economic and environmental benefits. Social benefits includes relieving women particularly those from the rural areas from the back breaking work of collecting wood and other inferior means of energy sources. Electricity, in particular and other forms cleaner energy is also critical in improving the general health of people in informal settlements. It has also been argued convincingly that energy is a vital in revitalising the informal sector. The use of energy sources such as wood, paraffin and other inferior sources is also seen as extremely adverse environmental consequences. It is clear from the afore-going exposition that Ingquza Hill needs to double its efforts towards ensuring universal access to electricity by 2014.

OR Tambo has low electricity service levels. The Community Survey of 2007 indicates that 51.2% of the households in OR Tambo have access to electricity. Ingquza Hill has the third highest percentage of households that have access to electricity (51.4%). OR Tambo has an electricity backlog of 48.7% and contributes 32% to the backlog of the province. Ingquza Hill has an electricity backlog of 48.5% and contributes 13.6% to the district backlog and 4.3% to the provincial backlog.

Municipality is offering free basic electricity in the area of grid power (Eskom network) and also non-grid power (alternative energy which is solar system). The table below reflects beneficiaries and the level of services they access. With an accurate indigent register number of beneficiaries would be more.

Refuse removal	Beneficiaries	Level of service	Value of the token
Grid electricity	1 082	50kw	R 31,77
Non-grid electricity	431	Solar	0

		system	
Refuse removal	1 600	0.1	93.48

6.5.11 ROADS AND TRANSPORT

Roads are essential infrastructure for attracting investment and development in the municipal area. They are also a catalyst for mobility of people and goods within the municipal area. Ingquza Hill is traversed by the R61 which links Port St Johns to Durban. This route runs through both of the commercial centres of the area namely Lusikisiki and Flagstaff.

This regional road serves as access road in and around the central business districts and main road to towns nearby such as Bizana and Port St John's. This road is in poor condition and is not adequately maintained and evidence suggests that there is gradual decline in its condition (Ingquza Hill IDP, 2004). The majority of roads are district roads and are poorly maintained, especially the roads in rural areas. Most of the access roads are not tarred and have no road markings or signs. Potholes, standing water and lack of loading and off-loading facilities for passengers reduce the level of service and capacity of the roads in the municipal area.
The annual budget set aside for maintenance in the last financial period was below the acceptable standard. Resources need to be deployed to address critical areas such as road conditions, road markings and traffic signs. There is also a need to do resealing as prescribed by pavement management system to avoid the deterioration level. There is an urgent need to improve all roads within the municipality. The majority of the population are pedestrians. A small proportion of the population make us of busses, minibus axis and private cars for transport.

ROADS MASTER PLAN

Ingquza Hill Municipality will develop an Roads Master Plan which will reflect on the needs for roads and the investment routes. This exercise will be linked to the existing Transport Plan from the Department of Transport. In Liaison with the Department of Roads the municipality will explore the Shovalula initiatives, the construction of bicycle tracks, scholar and non motorised transport. The roads to be constructed during the next financial year are provided for in the budget.

STORM WATER MANAGEMENT

The municipality is planning to develop a pavement and storm management plan for the next five years as linked to the Integrated development plan.

6.5.12 ENVIRONMENT

6.5.12.1 Topography

Ingquza Hill lies within the northern section of the Wild Coast. The most prominent geographical and topographical feature is the rugged plateau of the Msikaba sandstone formation which is congruent with the Pondoland Centre of Endemism. The rugged plateau of the Msikaba sandstone formation, is deeply incised by narrow river gorges and limited sandy beaches, which forming the 'Tablelands'. In some parts this leads to dramatic landforms such as Waterfall Bluff and Cathedral Rock. The formation is characterized by shallow, highly leached, acidic, sandy soils of low production potential but which are for the most part good for grazing in the summer months only.

The sandstone formation comes to a clear cut termination at the Egoso fault, which lies just north of Mbotyi and extends 18km inland from the coast. The Karoo Super Group (comprising shale, mudstones and sandstones with dolomite intrusions) features beyond this point southwards. The landform between Mbotyi and Port St Johns is more varied but generally poor, shallow and highly susceptible to erosion.

6.5.12.2 Biophysical environment

There are a range of environmental issues that affect the Wild Coast as a whole, including Ingquza Hill. These include the following:

- widespread poverty
- over exploitation of terrestrial resources due to extraction and or changes in land use leading to:
- loss of biodiversity, including unmanaged species harvesting, unmanaged harvesting of mangrove forests and other forest types which occur primarily as a result of sand mining
- soil erosion, leading to silting of rivers and estuaries
- Spread of invasive alien species, which in turn has the potential to disrupt the functioning of natural ecosystems.
- poorly controlled and/or ill-planned agricultural expansion, settlement expansion and illegal cottage developments;
- over exploitation of marine resources, leading to local extinctions, disruption to natural ecosystems functioning and loss of sensitive coastal habitats;
- fragmentation of riverine and coastal dune forests and other habitats through development;
- visual impacts associated with illegal developments, land use change and the disruptions/degradation of habitats
- pollution

- Lack of primary biophysical information.

6.5.13 LAND AND HOUSING

6.5.13.1 Land Use

The municipality is predominantly rural. Flagstaff and Lusikisiki are the two major urban centres. The predominant land use is subsistence agriculture with commercial agriculture activities generally occurring further inland. Coastal forests are used indiscriminately by local communities. Most of the land that is available for agriculture and forestry is communal land. The municipality has no land use planning policy and this renders them unable to prevent land invasion which has proved to be a critical problem. The municipality, also, has no dedicated staff to deal with development control. From an economic perspective one of the most critical challenges facing the municipality is the use of arable land for forestry instead of purely for agriculture. This requires community awareness and education as well as cost benefit analysis.

To address these challenge and also those of economic development, a need to deal with land availability becomes a priority. The following are problems that have been identified in relation to land availability:

a) Demarcation or redetermination of boundaries
b) Land ownership
c) Land invasions/grabs
d) Town planning
e) Migration

6.5.13.2 Housing

According to the Ingquza Hill Local Municipality SDF (2005), an estimated 11 672 households reside in formal dwellings, 282 households reside in informal dwellings and 32 894 reside in traditional dwellings. If this figure is computed in terms of housing backlog, there is a backlog figure of 33 502 households that require housing. The majority of these households reside in reside in rural areas.

The OR Tambo District Municipality prepared a Housing Plan for the district. Some of the challenges identified related to availability of land, bulk infrastructure and institutional capacity.

The following are the key issues of this plan:

- There is uncontrollable growth of informal settlements without access to land, facilities and infrastructure;
- Development of housing is taking place without regard to economic opportunity and capacity of bulk infrastructure leading to inefficiencies, misplaced capital investment and unsustainable growth;

- There is a predominantly urban bias in housing development and due to limited capacity and delays in accessing land in certain areas, there is an imbalance in development performance across the province;
- There is a general lack of capacity in the District and local spheres of Government to implement and manage development, despite the fact that these structures are supposed to have the mandate of "Developmental Local Governance";
- There is inadequate capacity to facilitate, monitor and co-ordinate the development of housing; and
- The Housing Policy, Norms and Standards are complex and not flexible in meeting diverse needs of urban and rural environments, escalating costs of materials and labour and growing expectations of the homeless.

Access to housing (or shelter) is one of the most important categories in Maslow's hierarchy of needs. Without shelter a person's dignity and right to privacy and safety is taken away. The government has prioritized access to housing as one of its key programs to improve the quality of life of the poor communities.

LAND ASSET REGISTER

Ingquza Hill Municipality will develop a Credible Land Asset Register which will be utilized to respond to investment need in the area. The land asset register will reflect on the nature of service levels in different land parcels.

LAND INVASION AND LAND CLAIMS

The municipality had adopted a zero tolerance strategy to land invasions and as such land invasions are not encouraged. In line with the need for housing the Migration plans will be developed which will be linked to housing demand to eliminate the proliferation of informal settlements.

FREE BASIC SERVICES

The Municipality is providing free basic services but more work will have to be done on updating indigent registers on annual basis

FIRE FIGHTING SERVICES

OR Tambo District Municipality is providing this service. Equipment is lacking and there is an urgent need to increase capacity.

LOCAL ECONOMIC DEVELOPMENT

The LED Strategy was developed in 2009. However, there is a need to develop the LED which will guide the development of the municipal area. The plan will be aligned to the LED

framework, the NSDP, Rural Development Strategy, The PGDP and the Spatial Development Framework . It will outline the led priorities and the spatial and economic development investment choices. It is through this plan that comparative and competitive advantages will be outlined.

Ingquza Hill Municipality has a fully fledged economic development planning unit which comprises of Strategic Manager and Tourism coordinator. The LED unit is one of the departments within the Strategic Management directorate. It utilized the following platforms for public involvements and participation, LTO, LED Forum, rep forum, disaster and fire management forums.

6.5.14 Tourism

The Ingquza Hill area has good tourist potential. The undulating plains, Savannah grasslands and the unspoilt coast combine to make striking scenic beauty. Places such as Msikaba, Mkhambathi, Mbotyi and the mainland as well as the Magwa falls, Magwa Tea and the Mkhambathi Game Reserve also offer great opportunities. The unspoilt environment that covers the coastal area and indigenous forests could be developed as major attractions for tourism.

There is a strong cultural and historic heritage in this area. Most notable is Ngquza where innocent people were gunned down by the apartheid regime. The Pondoland culture and its history, which remains strong, could be developed and marketed as a major tourism product. This could also form part of the rural tourism network linked with other tourism products within and outside the municipal area.

6.5.15 Economy versus Development

It is impossible to separate economic development issues from environmental issues. Many forms of unsustainable development models and approaches erode the environmental resources upon which they are based and environmental degradation can undermine economic development. It is therefore essential to develop a balance between utilisation of environmental resources and development which will ensure that environmental resources are conserved for future generations

It is estimated that there are 60 000ha of indigenous forest in the Wild Coast coastal belt and that many areas of forest are relatively undisturbed. These forest habitats generally have high species diversity and high levels of endemism and are therefore of high conservation value. This diversity is reflected in the forest regions of Ingquza Hill which is home to dune forests, swamp forests, Pondoland Coastal Forest, South Coast Forest and Coast Scarp Forest. Forests are generally heavily used by local communities and receive little protection due to lack of formal control. Subsistence agriculture is the predominant form of land use in the Ingquza Hill area. There are veld fires that are uncontrolled and the

burning of grassland for grazing purposes which generally occur with little or no formal control.

Ingquza Hill has got vast tracts of land and coastal line that have not yet been exploited. This land is a source of economic benefit providing proper studies on exploitable resources are conducted and economic development planned accordingly. Tourism, especially eco tourism also has substantial potential to revive the economy of the municipality and make it a higher contributor to the Provincial GDP. Tourism development has the potential to threaten the environment and biodiversity if not implemented in accordance with sound environmental planning principles. It is therefore essential that development be implemented in such a way that the environment is protected, whilst advancing economic and social development.

6.5.16 Institutional and financial analysis

6.5.16.1 Institutional Analysis

Ingquza Hill has 27 wards. The political leadership of the municipality comprises the Municipal Council which comprises 54 Councillors and the Mayor who is assisted by a Executive Committee memebers. Only the mayor and Speaker are designated as full time Councillors. The municipality has a ward participatory system.

The Council had appointed portfolio committees to take responsibility for the following matters:

- Finance and Administration;
- Institutional transformation
- Development and Planning;
- Social Issues; and
- Infrastructure

The Municipal Manager is the head of administration. This position is supported by 5 directorates which are each headed by a manager appointed in terms of Section 57 of the Municipal Systems act. Each of these managers has more that 5 years experience and a junior degree. There is a combined 44 years of experience in local government
The directorates are as follows:

- Infrastructure Services
- Strategic and Development Planning Services
- Corporate Services
- Community Services and
- Budget and Treasury

The departments are organized according to the following directorates:

1.The Directorate Infrastructure and Engineering Services:

- Roads and Storm Water Drainage
- Electricity
- Solid and Liquid waste
- Basic Services
- Buildings

2.The Directorate Community Services:

- Public Safety
- Social Facilitation
- Humane Services
- Pounds
- Disaster Management
- Traffic management

3.The Directorate Strategic and Development Planning Services:

- Local Economic Development
- Town Planning
- Environmental Management
- Communication
- Public Participation
- Housing
- Land Use Management and administration

4.The Directorate Budget and Treasury

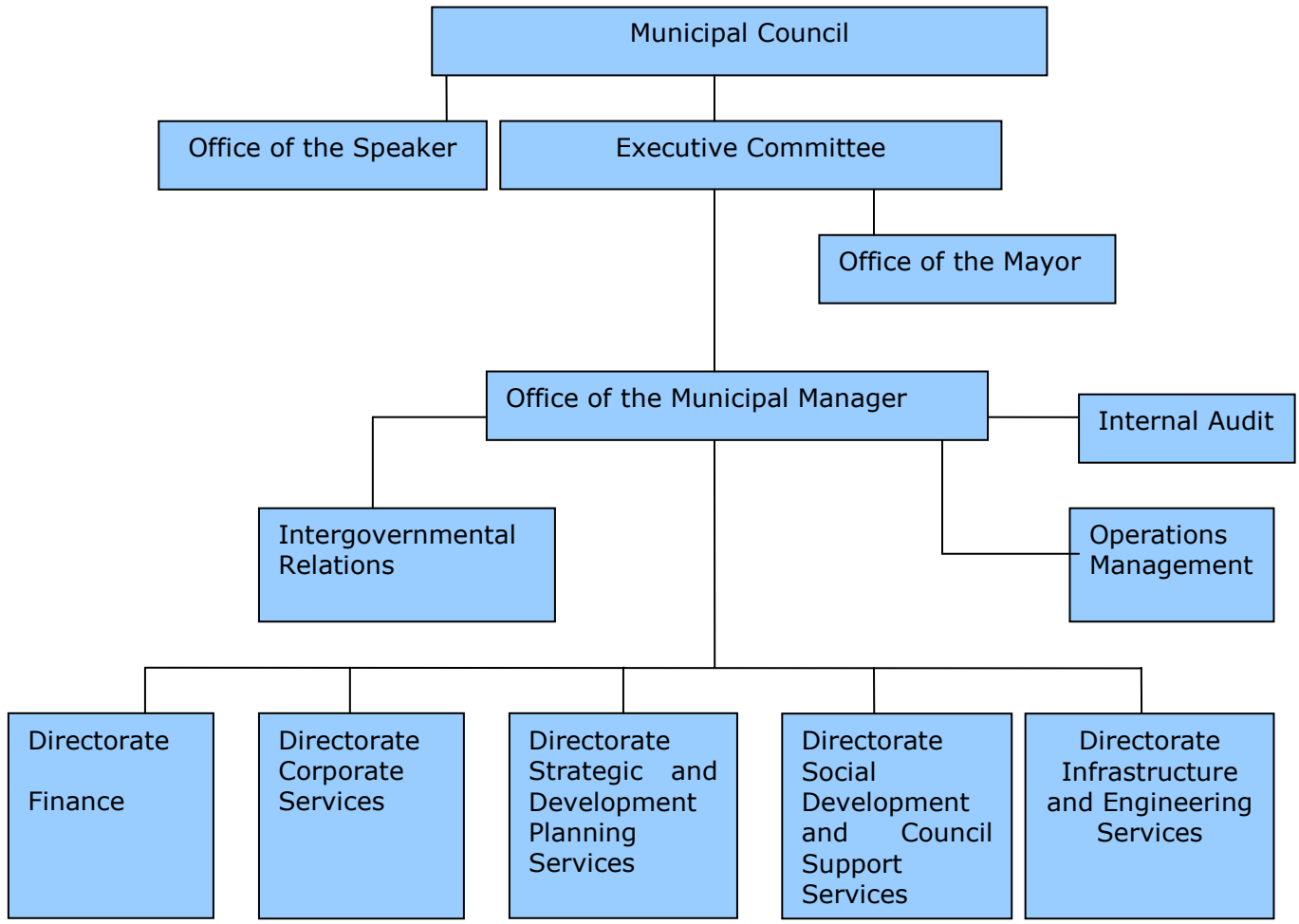
- Revenue and Property valuation
- Expenditure Services
- Treasury and Budget Control
- Supply Chain Management
- Asset and Risk Management

5.The Directorate Corporate Services

- Administration and Customer Services
- Legal Services
- Human Resources
- IT Services
- Administration and Council Support
- IGR

Figure 11 provides a graphic representation of the management structure of Ingquza Hill Municipality.

Figure 11: Management structure of Ingquza Hill Municipality



There has been a steady increase in the number of positions that have been filled each year. This is especially positive in comparison to other municipalities in the district. This has been done with the specific purpose of improving the employee customer ratio.

Please refer to **Annexure A for the detailed organogram.**

The following table indicates the staffing level percentage change

DB Code Municipality Name	**2006**	**2007**	**2008**
DC15 O.R.Tambo District Municipality	487	475	
EC151 Mbizana Local Municipality	141	141	114
EC152 Ntabankulu Local Municipality	78	78	85
EC153 Ingquza Hill Local Municipality	**202**	**201**	**225**
EC154 Port St Johns Local Municipality	190	190	165
EC155 Nyandeni Local Municipality	78	148	158

EC156 Mhlontlo Local Municipality	86	101	145
EC157 King Sabata Dalindyebo Local	1128	1051	1014

6.5.16.2 Finance

The rural nature of Ingquza Hill results in it having a low income base from assessment rates. This is aggravated by the high unemployment rate and associated high poverty levels and low affordability rates. The Municipality is also not static and population growth and town developments will further weaken this income base if not managed correctly.

The table below reflects the variance between grants Vs our own revenue for the past five years. The grants were reflected showing an increase from R52 million on the first financial year up to R120,6 million on the last financial year. Internal revenue reflected a small increase of 5% during the first financial year (R14,5 million) to (R15,3 million) during the last financial year with the variance showing the decline from 28% during the first financial year to 13% on the last financial year.

Grant VS Own Revenue Table

	YEAR 2006/2007	YEAR 2007/2008	YEAR 2008/2009	YEAR 2009/10	YEAR 2010/11
GRANTS	52,137,993.00	51,501,561.00	62,031,109.00	102,748,535.00	120,694,605.00
OWN REV	14,559,270.00	17,988,315.00	13,212,315.00	14,372,281.00	15,295,835.00
% VARIANCE	28%	35%	21%	14%	13%

The ability to generate income from services is compromised by a number of factors including the infrastructure backlog which limits the municipality's ability to render essential services to its households and recoup revenue. The fact that the municipality is not a Water Services Authority also limits its potential income. The majority of people in Ingquza Hill also qualify as indigents, which means that they do not make a

meaningful contribution to the fiscus of the municipality. According to IMFO guidelines, municipalities must not spend more than 35% of their operating budget on staff costs. The table below compares the staff budget of Ingquza Hill Municipality with other municipalities within the OR Tambo District Municipality.

MDB Code Municipality Name	Opex Budget actual 07/08	Opex budget 08/09	Staff Budget Actual 07/08	Staff Budget 08/09	Staff budget as % of Total Opex 2007/2008	Staff budget as % of Total Opex 2008/2009
DC15 O.R.Tambo District Municipality	766,956,212.57	384,669,066.99	100,665,434.89	139,749,466.00	13.13%	36.33%
EC151 Mbizana Local Municipality	36,018,974.00	52,039,138.00	22,122,081.00	30,577,669.00	61.42%	58.76%
EC152 Ntabankulu Local Municipality	23,914,402.00	30,974,725.00	17,413,377.00	18,011,452.00	72.82%	58.15%
EC153 Ingquza Hill Local Municipality	68,015,030.00	75,530,023.00	45,842,889.00	49,646,023.00	67.40%	65.73%
EC154 Port St Johns Local Municipality	42,765,765.00	32,450,976.00	17,332,288.00	15,220,541.00	40.53%	46.90%
EC155 Nyandeni Local Municipality	75,568,896.00	63,850,713.00	26,041,322.00	41,114,316.00	34.46%	64.39%
EC156 Mhlontlo Local Municipality	24,715,340.00	48,738,861.00	25,707,983.00	27,767,872.00	104.02%	56.97%
King Sabata Dalindyebo Local	314,263,000.00	327,375,000.00	166,345,597.00	176,538,000.00	52.93%	53.93%

Ingquza Hill Municipality spent the highest percentage of its opex budget on staff budget (65.73%) during 2008/9 in comparison to other municipality in O.R. Tambo. During 2009/10 financial period, this amount has increased to 67,95%. It is important that the municipality keep a balance between the personnel needs and the funds available.On the positive side, net debtors have decreased, meaning that revenue streams are growing at a faster rate. A credit control and debt collection policy has been implemented and continued efforts to manage outstanding debtors will enhance operating income and i

mprove financial gearing levels. Revenue is growing at a pleasing rate as compared to expenditure growth even though these sources of income are attributable to Grants and Subsidies. The net surplus for 2006 also showed an increase over previous years

6.5.16.3 Community Inputs: IDP process

Municipal competencies

Identified needs		Wards																										No. Of Wards per identified need
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	
1.	Access road	X	X				X			x					X		X		X		X	X				x			10
2.	Road maintenance		X				X			X	X		X				x	X	x						X	x			10
3.	Town internal roads						X									X													2
4.	Bridge									x			x			x		X											4
5.	Comm. hall																x	X								x			3
6.	LED projects		x													x						X							3
7.	Housing	X													X		x												3
8.	Erven: Business																												0
9.	Erven residential																												0
10.	Sports field	X	X				X						X						X		X								6
11.	Job opportunities						X								X		x					x							4
12	Cultural centre																												

.																												
13.	Tractors																x											1
14.	Fencing									X							x											2
15.	Dump site																											
16.	Youth programmes										X																	1
17.	Water	x	X				X			X	X		X		X	x	X		X			X			X			12
18.	Water spring protection	x																										1
19.	Dam		X																X									2
20.	Clinic	x	X							X																		3
21.	Toilets	x															X								x			3
22.	Toilet maintenance															X		x							x			3
23.	Incomplete sanitation																									X		1
24.	Incomplete roads	x	X								X						x				X							5
25.	Disasters						X				x						x				x				x			5

26.	Speed humps R 61															x												1
27.	Free Basic Electricity													X														1
28.	Shelter for orphans		X											x														2
29.	Cellular phone network														x									x				2
30.	ID Docs																							x				1
31.	Electricity						X				X		X			X									X			5
32.	CPF Incentives																			X								1
33.	Water scheme maintenance																	X		x								2
34.	Incomplete water scheme																								X			1
35.	Hawkers						X																					1
36.	Food parcels						x						x															2
37.	Water borne sewerage														X													1
38.	Street lights														X													1
3	Disability needs														X													1

9.																												
40.	Trading by-laws														X													1
41.	Customer care														X													1
42.	Child headed families												X															1
43.	Pre-school												X															1
44.	Pay point												X															1
45.	Ward committee training												X															1
46.	Tertiary institution												X															1

The community and stakeholder input is generally addressing in terms of municipal priority issues that are grouped into five Key Performance Areas, viz.

1. Good Governance and Public Participation 2. Municipal Transformation and Organizational development 3. Financial Viability 4. Local Economic Development	5. Infrastructure Development and Service Delivery

SECTION SEVEN: DEVELOPMENT OBJECTIVES, STRATEGIES AND OBJECTIVES

The Municipal Systems Act, 2000 (Act 32 of 2000) requires a municipal council to "promote and undertake development" (section 4(2)(g) and re-establishes Integrated Development Planning as a legal requirement. A municipality is required to undertake developmentally oriented planning (section 23(1)) to ensure that it complies with the objects of local government as set out in the Constitution (section 152). The capacity building duty of local government is strengthened by sections 23-24 of the Municipal Systems Act, 2000 by firmly establishing Integrated Development Planning as a function of the local sphere of government.

The Municipal Systems Act requires municipalities to adopt a single, inclusive plan for the development of municipality which, according to section 25 of the act:

- Links, integrates and coordinates plans and takes into account proposals for the development of the municipality;
- Aligns the resources and capacity of the municipality with the implementation of the plan;
- Forms the policy framework and general basis on which annual budgets must be based; and

Is compatible with national and provincial development and planning requirements that are on the municipality in terms of legislation.

The following sets out the Integrated Development Planning of the Ingquza Hill Local Municipality which governs all planning as obligated by section 153 of Act no. 108 of 1996 (The Constitution of the Republic of South Africa) and further explained in chapter 5 of Act 32 of 2000 (The Local Government Systems Act).

Vision

"A developmental, economically viable and responsive municipality where communities enjoy equitable access to services in an environmentally sustainable manner"

Mission

To facilitate sustainable development by promoting development and ensuring service delivery in a just and equitable manner focusing on infrastructural and social services through a skilled, accountable and responsive administration and council that prioritizes community needs and good governance.

Core Values

- To act efficiently and prudently so as to ensure Value for money,
- Treat all members of the public with Respect,
- Ensure that there is Mutual Integrity in the institution,
- To perform our duties with utmost Honesty, and
- To be Punctual in attending issues that affects the public.

1.3.6 Goals

- Eradication of poverty;
- Equitable approach in service delivery;
- The implementation of the plan for coastal development must have time frame;
- Council to apply vigilance of robust approach in dealing misconduct of councillors;
- To stimulate the local economic development;
- To improve/support the integrated economic development initiatives within the municipal area of jurisdiction;
- Enhance municipal competitiveness of the local municipality;
- To fast track land issues in order to unlock land for development;
- Improve/ facilitate the engagement of local business and general public in the planning process; and
- Create ongoing forum for advocacy and planning.

Key institutional Challenges

The following are issues that constitute a major challenge to the Ingquza Hill Local Municipality and therefore the plan has to deal with these issues head on:

- HIV/Aids;
- High poverty levels as a result of the unemployment;

- Unemployment as a result of high illiteracy levels;
- Lack of the political support and instabilities;
- Infrastructural backlogs;
- Capacity of the existing infrastructure such as roads, water and public amenities;
- Poor revenue generation;
- Integration of development plans as such government departments do not attend government the IDP process (spheres of governance);
- Street traffic congestion in both units(Flagstaff and Lusikisiki); and
- Lack of implementation of bylaws.

SWOT Analysis

The SWOT analysis was undertaken per cluster and the clusters considered are as follows:

- Economic cluster – which identified key development issues that will add value to the underdevelopment of the municipality,
- Infrastructure – identified key infrastructural issues which require attention to unlock development prospects,
- Finance- the financial cluster looked at the following issues that are perceived to be pressing and have a potential for future service delivery impact,
- The community services commission identified a need to enhance the following strengths in order to make a meaningful impact in terms of the community development, and
- Good governance and institutional development: it looked at issues around skills availability and retention of municipal employees.

Breakdown of the SWOT analysis

Strengths	Weaknesses	Opportunities	Threats
Coastal Locality	Communal ownership	Land availability for comprehensive development	Land invasions
Investment	Low skills base	Skills development, Employment opportunities and Coordinated development planning	Structural /cyclical unemployment, Poor infrastructural planning / capacity, Global economic crisis
Existing policy plans	Institutional capacity, Insufficient funding	Existing strategic plans: IDP's/ draft LED's & SDF	Non-compliance, Political instability
Tourism potential	Poor infrastructure i.e roads, sanitation and Networks	Identification of various tourism products, Improved municipal revenue	Crime, land ownership
Land availability	Topography, Environmental sensitivity	Investment opportunities, Improved municipal revenue	Land invasions, land claims
Capable workers	Lack of implementation of agreements taken by	Improved service delivery prospects	Retention strategy, rural locality

	communities, poor public participation & Implementation of by-laws		
Engineering equipments/ plant	Political influence, Service Delivery Backlogs, poor monitoring, lack of adequate funding & changes in management,	Enhanced municipal performance delivery, speed up development	Abuse of the equipments, management of the plant due to political pressures
District infrastructural support	Poor co-ordination of plans	Effective municipal planning, Improved infrastructural development & maximum utilization of existing resources	Powers and functions can derail development; lack of revenue retards the pace of development.
Schools, clinics, police stations and the Hospitals.	Lack of co-ordination the municipality and other sector Departments.	Reduction of crime, Better maintained infrastructure	Depending on conditional grants, as there are n profits on our revenue. Lack of revenue base as we depend on grants.
Road infrastructure	Poor road maintenance.	Integrated development planning	Segregation of duties
High levels of	Reliant on grants,	Retail development,	High level of indigent

population	Low skills of some of the staff members	Development of N2 to attract tourism and Ingquza Heritage site & employment opportunities	people, Unresolved land claims
Good institutional management	Lack of resources	Improved council decision making	Political instability
Political co-operation with other political organisations	Different political ideologies, poor representation of other political parties	Democratic decision making	Political instability

7. MUNICIPAL OBJECTIVES AND STRATEGIES

7.1 PRIORITY ISSUE: LOCAL ECONOMIC DEVELOPMENT

Financial year		Project name		
Requirements	**Progress to date**	**Objective**	**Strategies**	**Possible projects**

Financial year		Project name		
Requirements	**Progress to date**	**Objective**	**Strategies**	**Possible projects**
SOCIAL DEVELOPMENT:	• 11 funded projects, • 1 Family 1 Food Garden at Xopozo(Ward 8) – 30 Families • 19 other funded projects • Lubala Anti-Poverty Programme (this includes all govt departments) • 36 Funded Preschools (Submission of monthly claims - +- 60 children) **AGRICULTURE** • 10 Funded Projects: 1. Masizame Women's Project, 2. Manqguzu Poultry Project, 3. Sophumelela Mtontsasa, 4. Mthomolwazi	• Food security, • Crop Production • Poverty alleviation • Care for the elderly including centres, • Child Care and protection, • HIV/Aids (Home based care) • Crime prevention • Disabilities • Poverty alleviatiom • Early Childhood Development	• Income Generation • Expand the programme to other localities • Strengthen monitoring of projects • Encourage sustainability • Capacity Building of Project member • Household Profiling of those wards and giving support to family that aresverely affected by poverty • Create favourable environment for young children by approaching **relevant** department as most of them are mud structures	• 1 Family 1 Food Garden • To expand the programme to other identified wards, 8 and 2 • Irrigation Projects • Vegetable Production Projects • LED Infrastructure Development, • Training of the members, • Registration of cooperatives. • Revival of the project members • Poultry farming , • Piggery, • Intensive training programs • Support for home based farming • Creation of a fresh produce market,

Financial year		Project name		
Requirements	**Progress to date**	**Objective**	**Strategies**	**Possible projects**
	SMME Development: • 10 SMME Development project • Hawker stall construction has been facilitated, • Identification of the business for registration, • Engagement with formal businesses	• Promotion of small business, • Creation of employment opportunities, • Diversify employment, • Improve entrepreneurships	• Attraction of investment by improving economic infrastructure • Resource mobilisation for identification of comparative and competitive advantages • Business management and ongoing skills development	• Sewing projects, • Apply for funding for second phase of the Hawkers stalls, • Capacity building, • Pursuing projects that were tabled in the investment conferences. Viz. Urban renewal in both flagstaff and Lusikisiki; coastal development for tourism and leisure; forestry; Mining of quarry and related downstream benefits and Agricultural development • Registration of existing businesses, • Quarterly meetings to be held

Financial year		Project name		
Requirements	**Progress to date**	**Objective**	**Strategies**	**Possible projects**
	Tourism • Tourism products identified (from BnBs, Arts & Craft, Adventure tourism, Travel Agencies, Natural Attractions, Man-made Attractions to • 5 CTOs formed in 5 wards with tourism potential • Ongoing Tourism Awareness and Capacity Building for all individuals who partake in the tourism industry within the municipal area • Brouchure development for all tourism products is underway. • Development of a Tourism Sector plan currently underway, awaiting for a response from the Municipality of Florence in Italy which is the major funder of the project. • Arts and Craft Centre: Feasibility study, land surveying, Quantity	• Create employment opportunity, • Improve tourism sector, • Legalise the land uses of business purposes • Promote the Pondo culture and preserving it as well. • To have a guiding document for tourism development	• Identify areas with vast potential and training of the tourism products owners • Record keeping • Encourage tourism activities at ward level and thus promoting tourism and creating jobs which results in residents being active economically • A bankable document which will assist the municipality in inviting investment for tourism development.	• Awareness programs, • Skills Development, • Establishment of the information centres • Rezoning applications • Support infrastructure of Arts and Craft initiatives • Tourism infrastructure along the coastline • Provision of IT support to B&Bs for adverting and marketing

Financial year		Project name		
Requirements	**Progress to date**	**Objective**	**Strategies**	**Possible projects**
	Forestry			
	• Interacted with various organisations dealing with forestry, • Support on forestry enterprise in Mkhambati, • Memorandum of Agreement signed, • Potential land for forestry has been identified, • Communities are in possession of Water Use Licensing, (Nyosana/Mvemvane/Kanana, Nyuswa & others	• Commercialised plantation, • Transform industry forestry, • Sustainable management of the forestry resource, • Development of afforestation plans	• Development of the Forestry sector plan, • Formation of partnerships, • Formation of the associations for resource management, • Project monitoring plan	• Forestry Sector plan, • Awareness raising and education • Business licensing, • Identification of strategic partners for forestry developments • Demarcation of land use, • Formalisation of agreement and intensify /forge partnerships

Financial year		Project name		
Requirements	**Progress to date**	**Objective**	**Strategies**	**Possible projects**
7.2 Social Development	• 4 Food Security projects funded • 4 Women Development projects funded, • 1 Youth development project funded • 1 family based garden project funded(1 household, 1 food Garden) – Ward 8 (Xopozo) for 30 Families	• To promote and facilitate community development services targeting poor communities especially youth and women towards sustainability and self reliance.	• Food Security - Improve access to fresh produce through development of food production initiatives. • Women Development – Develop and strengthen integrated women development programmes in the nodal points and poverty pockets by March 2011. • Family Based Gardens - Enhance the functioning capacity of poor families as units of development in the 3 identified poorest wards. • Link the poor households, vulnerable and marginalized communities and	• Any income generating project which is communally owned. Applications are forwarded to the Department.

Financial year		Project name		
Requirements	**Progress to date**	**Objective**	**Strategies**	**Possible projects**
Crime Priority issue: Safety and Security	• Level of crime has increased. • Community Safety Forum is functioning and Community Safety Plan. Crime Prevention Programmes : Social Development Department: • Ex-Offender Project • Developmental Foster Care • Crime Prevention • Diversion Programme	• Reduction in levels of crime • Re-intergration of Ex-offenders back to their communities' • Placement of children in conflict with the law and at risk to foster parents • Reduction in levels of crime to youth in and out of school • Implementation of diversion programme to young children in conflict with the law	• Crime prevention operations must be throughout the year. • Regulation of liquor outlets and conducting of raids. • Establishment of Community Safety Forum. • Introduction of mobile police stations. • Reviewal of granting bail. • Establishment of similar projects. • Marketing of these services to communities • Training of Foster Parents	• Joint operations. • Area wide Patrolling. ` • Skills Development by Khulisa Project that is funded by Social Development

Financial year		Project name		
Requirements	**Progress to date**	**Objective**	**Strategies**	**Possible projects**
	• Challenges of municipal by-laws enforcement.	• Establishment of municipal policing services	• Recruitment and training.	
• Beach manage ment	• The life guards are few	• Reduction in drawings	• Allocation of funds directly to Local municipality for Permanent employment of lifeguards. • Provision of ablution facilities.	• Construction of lifeguards duty room and ablution blocks.

• Crime Priority issue: Safety and Security	• Level of crime has increased. • Community Safety Forum is functioning and Community Safety Plan. Crime Prevention Programmes : Social Development Department: • Ex-Offender Project • Developmental Foster Care • Crime Prevention • Diversion Programme	• Reduction in levels of crime • Re-intergration of Ex-offenders back to their communities' • Placement of children in conflict with the law and at risk to foster parents • Reduction in levels of crime to youth in and out of school • Implementation of diversion programme to young children in conflict with the law	• Crime prevention operations must be throughout the year. • Regulation of liquor outlets and conducting of raids. • Establishment of Community Safety Forum. • Introduction of mobile police stations. • Reviewal of granting bail. • Establishment of similar projects. • Marketing of these services to communities • Training of Foster Parents	• Joint operations. • Area wide Patrolling. ` • Skills Development by Khulisa Project that is funded by Social Development
	• Challenges of municipal by-laws enforcement.	• Establishment of municipal policing services	• Recruitment and training.	
• Beach management	• The life guards are few	• Reduction in drawings	• Allocation of funds directly to Local municipality for Permanent employment of lifeguards. • Provision of ablution facilities.	• Construction of lifeguards duty room and ablution blocks.

7.3 Priority issue: Local Economic Development/Basic Service Delivery/Environmental Management

Priority issue: Local Economic Development/Basic Service Delivery/Environmental Management				
Status Quo		**Development Strategy**		
Requirement	**Progress to date**	**Objective**	**Strategy**	**identified projects**
Compliance with Environmental legislation	• DEDEA Environmental tool kit developed & distributed to municipalities. • OR. Tambo Environmental Management Plan draft • DEDEA Environmental IMPLEMENTATION Plan 2nd edition draft • EIA Regulations	• Integration of environmental management principles (NEMA Sec 2) into municipal plans & projects	• Environmental forum establishment. • Comply with EIA Regulations • Have a Memorandum of Understanding with DEDEA for the purpose of fast tracking approval of EIAs • Work with SANBI and schools to promote environmental protection and management	• Preservation and managing of wetlands • Greening of towns with indigenous species • Greening of schools • Maintenance of Public Ablution facilities • Eradication of alien plants •
Integrated Waste	• Ingquza Hill municipality	• Provision of basic	• Review &	• IWMP Review

Management Plan	to review its IWMP in line with OR Tambo DM IWMP	solid waste service to communities	implement IWMP through identified projects	• Recycling projects
Coastal Management	• NEMA: Integrated Coastal Management Act 24 of 2008 • Wild Coast SDF & SEA • Mbotyi coastal development plan by CSIR • Msikaba camp/Mbotyi hikers huts & vulture colony view site proposal	• Facilitate coastal development at the Nodes (Mbotyi & Msikaba) • Rehabilitate camp site/hikers huts & viewing deck, access road to vulture colony	• Review Mbotyi plan developed by CSIR & align with Ingquza SDF for Council approval. • Municipality submit Business Plan to LED/EPWP DEDEA for funding	• Review Mbotyi plan • Develop Msikaba plan • Improvement of road, electricity, water and sewer infrastructure from tourism
Environmental Education & awareness	• DEDEA local education and awareness events • DEDEA plan for 2010-11	• Promote environmental awareness	• Ingquza Hill municipality environmental awareness plan	• Awareness plan & implementation

7.4 Priority issue: Basic Service Delivery / Local Economic Development

Priority issue: Basic Service Delivery / Local Economic Development				
Status Quo		**Development Strategy**		
Requirement	**Progress to date**	**Objective**	**Strategy**	**identified projects**

Land Reform	• Erf 49, land claim settled through the restitution (Financial Compensation). • Lambasi: Community Property Association registered (financial Compensation & Development), • Mkhambati settled through restitution, (financial Compensation & Development), • Development Plan for Mkhambati, Private Public partnerships for Mkhambati, • Erf 93 land claim is negotiated, Flagstaff, (Section 42 (d) RLRA of 1994, • Spatial Development	• Provide equitable redress to victims of racial land dispossession, • Land identification and integration of development plans, • Integrate development plans and land ownership • Sustainable project implementation • Resolve the pending land claim • Allocation of land uses for investment and regulatory	• Create platforms for claim resolutions forums, • Feasibility Studies and business plans, • Implementation of the development plan and business plans, • Promotion of the development plans for investment purposes • Regular engagements and feedbacks with the affected stakeholders • Community/ private mobilisation for investment purposes	• Lusi Park and other job creating initiatives • Formation of partnership for private investment and various stakeholders, • Investment plan, and business plans (refer D.P) • Identification of land parcels for residential, commercial and corporate property development • Settlement of the claim,

	Framework existing, • Engagements with Traditional Leaders, • Cultural Village for Mkhambati appointed, • Revival of Magwa Tea Plantation, • Identification of Coastal Development Projects, and • Revival of the Magwa Institution	purposes • To unlock communal land for development • Promotion of the Mkhambati Heritage • Unlock land for development • To create investment platform	• Regular interactions with the traditional leadership • Profiling of Mkhambati • Coastal Integrated Development Planning • Magwa Development Plan	• Review of the SDF, • Ongoing workshops • Community based projects • Local Spatial Development Framework • Investment Plan, • Capacity Building

7.5 Community Works Project

Status Quo		**Development Strategy**		
Requirements	**Progress to date**	**Objective**	**Strategies**	**Possible projects**
Teba Development	**Community Work Programme**	Provide employment		The programme will

(Lima)	**(COGTA)** • Agriculture • Community Services • Community Care • CWP has been implemented in 13 wards which have been identified in co-operation with Local Government. In each ward there are approximately 100 unemployed individuals who are working for 8 days as month and given a R60 stipend per day. The CWP participants are working on 3 sectors i.e. Agriculture , Community care and Community services which embrace PRA and consultative processes with the local structures ,communities and local stakeholders. There are supervisors appointed per sector per ward, who supervise participants and monitor work outputs.	opportunities to 1300 participants, thereby allowing them to earn a wage, whilst gaining work experience and training. Through COGTA, and working together with local stakeholders and municipality to provide these participants with training across all sectors and work activities. Also provide participants with uniforms and protective clothing, and tools and materials. The objective of the programme is to create work opportunities, whilst improving living conditions and economic development in the areas in which the programme in implemented (Ward 2, 16, 19, 20, 25, 4, 5, 8, 10, 18, 26, 27, 24). All work activities and	**AGRICULTURE** • Establishment of household trench gardens & key hole gardens. • Assisting vulnerable community members gardens with maintence of homestead gardens (weeding, watering, land prep, harvesting) and community gardens **COMMUNITY CARE** • Orientate care givers to provide care & support to vulnerable families and	begin to focus on small enterprise development- contracting these small enterprises to fufil tasks on CWP - thereby creating sustainable local business beyond the programme. These micro enterprises will be formed across all three sectors. The CWP facilitator will begin a process of identifying suitable groups, thereafter training and co-oridinating them. These small businesses can therefore create income from other sources, in the periods/days that they are not working under CWP.

		outputs are geared around the needs of communities, and are aimed and improving local livelihoods and living conditions.	OVC advice and substance abuse • Orientate participants to become community patrolees - providing services around schools and at public events **COMMUNITY SERVICES** • Fencing of gardens Street cleaning and litter clean up • maintanance of community feeder access roads and community facilities	

			• Clearing of alien and invasive bush (partiuarly around rivers) • Installation of water tanks to households (tank and guttering) **SMME DEVELOPMENT** • Provide support to communty gardens, developing the business component • Develop and support 2 associations who can provide community services to schools and other businesses who can charge for their services **STAKEHOLDER LIAISON**	

			Liaise with the Ingquza Local Municipality and present reports to Ingquza LM & OR Tambo Stakeholder Forum meetings Liaise with Municipality around community services (street cleaning) - to devise a strategy Conduct socio-economic surveys and facilitate PRAs to ascertain the needs and aspirations of the community,	
	Abalimi Phambili Programme - Goldfields	The objective of Abalimi Phambili is to	The strategy is to continue providing	4 capital projects (irrigation, poultry)

	• Agriculture Teba Development and Lima Rural Development are implementing an agricultural development programme in Lusikisiki called Abalimi Phambili. This is funded by goldfields. This has ben active in area for over 3 years, aand funding has recently been extended for another year (2011) As set out in the proposal, the programme aims to reach 600 farmers in Lusikisiki. This figure has been reached. The programme provides to these farmers: • Training and demonstrations • Technical advise • Market advise and input linkages • Workshops • Innovation • Where possible capital structures There is an enterprise	provide technical support, assistance, advice and mentorship to emerging small sale farmers across a range of agricultural activities (vegetable, maize, poultry) as well as homestead food gardeners, thereby increasing household food security, but also to increase local economic development and farmer production and thus farmer income. Through innovation, linkages with market and good quality inputs, the programme aism to increase productivity of farmers and improve agriculture in Lusiksiki The objective is also small enterprise development and ultimately local	support to the existing farmers whilst continually assisting new farms where possible. Continue innovation and research new techniques, update farmer skills constantly, provide relevant up to date information. There is an aim to begin focusing more on small enterprise development in 2011; assisting farmers in business skills and record keeping. The strategy is also to source additional funding to fund new capital projects. This fundraising is done at a head office	funded through Northam Platinum An agricultural Service centre funded through Anglo Gold Ashanti (proposal in draft) which will identify an entrepreneur and train that entrepreneur to run the business for him/herself.

	development component of the programme, which thus far has established the Lusikisiki Nursery and is in process of establishing the Hatchery.	economic development.	level.	

7.6 Priority issue: Basic Service Delivery

Priority issue: Basic Service Delivery				
Status Quo		**Development Strategy**		
Housing	**Progress to date**	**Objectives**	**Strategy**	**Project**
MDGs and eradication of informal settlements	**Old Rural Housing:** • Matlaneni Project, 195 completed and 105 not completed, Contractor is on site, • Nkozo , 260 completed & incomplete 40, Contractor is on site.	Sustainable social housing subsidy and provision of social security	Sustainable social housing subsidy and provision of social security	Training of small contractors
	Urban Housing: • Thabo Mbeki Settlement	Sustainable social housing	Sustainable social housing	• Training of small

	(503 Flagstaff) Variation order will be presented to treasurer, Contractor is on site , • Joe Slovo Land issues identified, Transfers under way	subsidy and provision of social security	subsidy and provision of social security	contractors • Unity Park for 600 units • Nkululekweni for 500 units • Medium density housing development in Lusikisiki and Flagstaff • Lusi Park housing development • Flagstaff middle-High income development, • Revalidation of the project, • Verification of the ownership details.
	New Rural Housing Projects • Community resolutions in terms of Protection of informal Land Rights Act,			• Holy Cross (500 erven) • Ingquza (500 erven) • Xopozo (500 erven)

	1996 undertaken for all these projects except for Mpoza, • EIA for Holy Cross is done, • Beneficiaries list is submitted for all the projects, and • Housing Consumer Education undertaken			• Mpoza (500 erven) • Dimfi (500 erven)

7.7 Priority issue: Good Governance & Public Participation

Priority issue: Good Governance & Public Participation				
Status Quo		**Development Strategy**		
Requirements	**Progress to date**	**Objective**	**Strategies**	**Possible projects**
Communications	• Establishment of the stakeholders forum (	• Co-ordination of various	• Quarterly engagements,	• Facilitation of the implementation plan,

	dates) • Ward Committee Seatings (Monthly meetings held), • Mayoral Support (handover meetings for municipal programs). • Ingquza Traditional Leaders Forum (Interim co-ordinating committee(Formulated)	stakeholders for integration of municipal plans, • Assessment of existing challenges and the pace of service delivery at ward based level, • To publicise municipal activities through outreach programs, • To engage traditional leadership on developmental	• Development of the program implementation plan, • Monthly engagements with all ward committees • Develop municipal itenery for the public participation process, • Quarterly engagement	• State of the Municipality Address • Ingquza Hill Massacre commemoration • • Outreach programs • Project implementation plan

7.8 Priority issue: Institutional Governance

Priority issue: Institutional Governance	
Status Quo	**Development Strategy**

Requirements	**Progress to date**	**Objective**	**Strategies**	**Possible projects**
	• Policies are done/amended when the need arises on time that are required by law, i.e credit control policy, etc.	• To ensure that the municipality complies with the legislative requirements by December 2010	• Conduct an assessment of all laws that the municipality has to comply with and identify policies that need to be developed or amended	• To engage stakeholders through workshops • Seek advice from the local professionals and other stake holders. • Develop database of experienced people for information sharing
			• Establish oversight structures that are required by legislation	• Strengthen Internal Audit unit • Capacitate council oversight structures • Establish performance audit committee

7.9 Priority issue: Municipal Financial Viability and Management

Priority issue: Municipal Financial Viability and Management				
Status Quo		**Development Strategy**		
Requirements	**Progress to date**	**Objective**	**Strategies**	**Possible projects**
Align municipal performance with that of the Province and the District	• Sections 71, 72, and 121 have been done and submitted on time	• Ensure that the municipality is not performing below the provincial and district average, through the development of performance assessment mechanisms	• Establishment/revival of coordinating forums • Amendment of performance management system, policies and framework	• CFO forum revival. • Formal mid-term evaluation. • Formal annual evaluation

Priority issue: Financial Viability and Management

Priority issue: Financial Viability and Management				
Status Quo		**Development Strategy**		
Requirements	**Progress to date**	**Objective**	**Strategies**	**Possible projects**
Bad audit opinion	• Improved level of keeping and producing documents to AG	• Work towards achieving clean audit	• Establish and strengthen oversight structures • Establishment/revival of coordinating forums • Strengthen audit committee	• Capacitate staff through trainings and workshops • Cascade the PMS down to the officers • Strengthen

				internal audit unit • Improve filing system(record keeping) • Improve financial management system

Priority issue: Municipal Financial Viability and Management

Priority issue: Municipal Financial Viability and Management				
Status Quo		**Development Strategy**		
Requirements	**Progress to date**	**Objective**	**Strategies**	**Possible projects**
Consumer service levels are inadequate	• Billing is done on time for services	• Issuing of monthly bills by the 1st of every month • Conducting a data cleansing on the billing system • Reduce the waiting time in a queue by 5 minutes	• Training and application of Batho pele principles	• Train staff on Batho pele princeples • Data cleansing

Priority issue: Municipal Financial Viability and Management

Municipal Financial Viability and Management				
Status Quo		**Development Strategy**		
Requirements	**Progress to date**	**Objective**	**Strategies**	**Possible projects**

Poor revenue base	• Increased revenue base	• To generate more than 50% of revenue base from internal sources by 2012	• Develop and implement revenue enhancement strategies	• Encourage rate payers to pay • Ensure bills are delivered on time • Data cleansing • Ensure quality service delivery
Priority issue: Municipal Financial Viability and Management				
Status Quo		**Development Strategy**		
Requirements	**Progress to date**	**Objective**	**Strategies**	**Possible projects**
Capital budget vs. staff costs	• Stabilised staff costs	• Comply with legislation and attract more capital funding	• Improve reporting standards to attract more funding from treasury departments	• Staff development • Performance appraisals and bonuses
Priority issue: Municipal Financial Viability and Management				
Status Quo		**Development Strategy**		
Requirements	**Progress to date**	**Objective**	**Strategies**	**Possible projects**
Conversion of AFS from IMFO to GRAP	• AFS partially converted from IMFO to GRAP	• Full compliance with GRAP standards	• Implementation of Directive 4 of ASB by 2012	• Assess fixed assets on depreciation, impairment, use-full lives and residual values

Municipal Financial Viability and Management				
Status Quo		**Development Strategy**		
Requirements	**Progress to date**	**Objective**	**Strategies**	**Possible projects**
Investments and assets	• Invested on Property, Plant and Equipment	• Increase municipal investments	• To implement investment policy and identify new investment opportunities • Attract businesses to come and invest in the area	• Perform analyses of investment opportunities • Identify potential business investors

7.10 Corporate Services Department

- **Priority issue: Institutional Transformation and Good Governance**

Status Quo		Development Strategy		
Requirements	**Progress to date**	**Objective**	**Strategies**	**Possible projects**
Policy Development		• Ensure that the municipality complies with all the legislative requirements	• Conduct an assessment of all laws that the municipality has	

		by June 2011	to comply with and identify policies that need to be developed	
		• Ensure compliance with all legislative requirements	• Implement Employee assistance Programme, EPWP, and all community skills development programmes.	
Capacity Building		• Develop institutional capacity by compiling an accurate work place skills plan and ensuring that 100% of levies are utilised	• Identify skills gaps and skills development programs that will address skills shortage • Develop study assistance scheme to encourage personnel to improve their qualifications and implement ABET programmes.	
		• The municipality has to increase the skills of its own personnel and community by providing skills training	• Implement learnership policy and programme • Identify programs that will lead to the identification of a pool of skilled personnel.	
Customer Satisfaction		• Citizens looking for service in the municipal offices must not spend unreasonable time in queues • Complaints must be attended to and where possible resolved within reasonable time.	• Training and application of Batho Pele.	

• Motivated Staff		• The staff must be motivated and recognition given for good performance in accordance with a performance management policy	• Performance appraisal and enhancement system must be implemented	
		• The staff must be motivated and recognition given for good performance in accordance with a performance management policy		
• Provision of Legal Services		• The strengthening of the legal services section of the municipality.	• Deal decisively with transgressions relating to land invasions, compliance with HR regulations etc.	
• Provision of ICT Services		• Continuous development of ICT personnel & systems.	• Maintenance and development of the existing ICT infrastructure.	

7.11 Engineering and Infrastructure Services

Priority issue: Basic Service Delivery

Priority issue: Basic Service Delivery				
Status Quo		**Development Strategy**		
Requirements	**Progress to date**	**Objective**	**Strategies**	**Possible projects**

• Addressing of Roads Backlogs	• A total of about 46.2km of roads has been constructed in the 09/10 FY on different wards. All these projects add up to the value of R25,329,278.83. The list of such projects is as follows: • Ntshikiva to Msikaba A/R (Ward 24) • Luphondo A/R (Ward 25) • Khabingele to Ntlalwana A/R(Ward 27) • Msotyana to Kofini A/R(Ward 21) • Mbilikati toXhurana A/R (Ward12) • Tribal Authority to Mzaba A/R(Ward 22) • Balasi A/R (Ward9)	• The mobility of people, goods and services needs to be improved by improving road access between villages and CBD by 20% each year	• Develop a road network Plan • Develop a Transport Plan • Liaise with to the Dept. of Roads and Transport, DPLG (MIG allocation) and district for funding to develop infrastructure	• The list of possible projects to implemented in the 10/11 FY is listed below by ward numbers instead of project names: • Ward 13 • Ward 16 • Ward 4 • Ward 20 • Ward 7 • Ward 26 • Ward 23 • Ward 3 • Ward 5 • There are however some the following projects that are listed by their names: • Flagstaff Arterial Streets (Phase 1). • Lusiki*2

	• Zwelitsha to Kanana (Ward 15) • Gunyeni A/R (Ward 14)			Stromwater upgrade.
		• Standard of municipal roads to be improved by providing drainage and resurfacing of 100 Km per annum • Roads to be marked and signage erected	• Design a road infrastructure development and maintenance plan • Design a storm water management plan • Liaise with relevant National and Provincial and district for funding	•

Priority issue: Basic service delivery

Status Quo		**Development Strategy**		
Requirements	**Progress to date**	**Objective**	**Strategies**	**Possible projects**
Road infrastructure	• The municipality has so far managed to register three (3) community halls in the MIG/MIS so far which are currently awaiting National Approval.	• To provide an acceptable, convenient shelter for social gatherings	• Register these types of projects on the MIG/MIS for Funding purposes.	• The municipality is planning to construct a total number of about two (2) community halls in the 10/11 FY.

		like community meetings, paypoints for pensioners etc.		These will be according the Council priority strategy.

Priority issue: Basic Service Delivery				
Status Quo		**Development Strategy**		
Requirements	**Progress to date**	**Objective**	**Strategies**	**Possible projects**
• Meeting the Solid Waste Management obligation of the municipality	• The municipality is currently busy with a study that will assist in the licensing of the dump sites.	• To legalise the current dump sites.	• Develop a waste management plan and strategy. • Develop an Environmental Management Plan and Strategy.	• Upgrading of the two (2) current dump sites so as to comply with the minimum requirements.

Priority issue: Basic Service Delivery	
Status Quo	**Development Strategy**

Requirements	Progress to date	Objective	Strategies	Possible projects
• Addressing the Electrification Backlogs	• The municipality is currently electrifying three (3) wards to the value of R20,000,000.00. The progress to date is 48 %. • The benefiting wards are : • Ward 11, 12, 17.	• Reduce number of households who do not have access to electricity • Subsidise free basic electricity, to make it affordable by December 2012 • All indigents to be registered and provided with access to Free Basic Electricity by December 2012	• Liaise with DME, ESKOM, DPLG (MIG allocation) and other stakeholders to ensure that both bulk and reticulation • Infrastructure backlog is addressed.	• Upgrading of the two (2) current dump sites so as to comply with the minimum requirements.

Priority area: Basic Service Delivery				
Status Quo		**Development Strategy**		
Requirements	**Progress to date**	**Objective**	**Strategies**	**Possible projects**
• Addressing Water Backlogs		• Reduce number of households who do not have access to water by half in the next coming two financial years and ensure that all households have access by 2012.	• To liaise with OR Tambo District Municipality and DWAF for the development of WSP that will meet the targets of the millennium development goals	
		• Ensure that all water that is pumped from a water reservoir is accounted for	• Liaise with District to conduct a water infrastructure assessment • Develop a maintenance programme for service infrastructure • Increase the level of monitoring during the implementation of projects to ensure compliance with	•

			required standards • Eliminate illegal connections.	
		• Obtain approval in terms of Water Services Act, to serve as a Water Services Authority by December 2008.	• Build the capacity of the municipality so that it could qualify as a Water Services Authority.	
		• All water that is consumed by households should meet the required health and safety standards.	• Regular testing and inspection of boreholes to ensure health and safety standards are maintained • Maximize use of spring systems as an alternative of water source	

Priority issue: Basic Service Delivery

Status Quo		**Development Strategy**		
Requirements	**Progress to date**	**Objective**	**Strategies**	**Possible projects**
• Addressing Sanitation	• Project	• Reduce number	• Liaise with different	

Backlogs	identification	of households who do not have access to a proper sewer system by 50% in the next three financial years and by 75% by 2012	stakeholders like DWAF and the OR Tambo district municipality to access MIG funds and address the issue infrastructure backlog	
		• All households in the municipality must be provided with pitlatrines by end of 2012.	• Liaise with DWAF Provincial Dept. of Housing, Local Government and Traditional Affairs, OR Tambo District and other stakeholders to identify strategies to reach target • Identify projects that will improve the standard of sanitation.	
		• Implement measures to reduce the spread of	• Design and implement an early warning signal system of disease	•

		waterborne diseases by 20%	• Routine inspections • Community information sessions.	

7.12 Community Services Department

Priority: Basic Service Delivery

Priority: Basic Service Delivery				
Status Quo		**Development Strategy**		
Requirements	**Progress to date**	**Objective**	**Strategies**	**Possible projects**
• Traffic Services	•	• Reduction of congestion to enhance free traffic	• One-way streets • Upgrading of road infrastructure and construction of by pass • Regulation of hawkers • Allocation of taxi and bus ranks	• Completion of taxi ranks • Construction of hawkers stalls
• DLTC	• Funds have been received from DBSA	• Reduction of unlicenced drivers. • Reduction of roads accidents	• Construction of DLTC	
• Traffic enforcement	• The level of traffic transgression	• Reduction in traffic offences/ violations and road accidents.	• Increasing the number of traffic officers and their performance. • Purchase of Dragar	• Arrive alive campaigns • Child in traffic

			machine and breathalyser for drunken driving	programme
Priority: Basic Service Delivery				
Status Quo		**Development Strategy**		
Requirements	**Progress to date**	**Objective**	**Strategies**	**Possible projects**
• Crime Priority issue: Safety and Security	• Level of crime has increased. • Community Safety Forum is functioning and Community Safety Plan.	• Reduction in levels of crime	• Crime prevention operations must be throughout the year. • Regulation of liquor outlets and conducting of raids. • Establishment of Community Safety Forum. • Introduction of mobile police stations. • Reviewal of granting bail.	• Joint operations. • Area wide Patrolling.
	• Challenges of municipal by-laws enforcement.	• Establishment of municipal policing services	• Recruitment and training.	•
• Beach management	• The life guards are few	• Reduction in drawings	• Allocation of funds directly to Local municipality for	• Construction of lifeguards duty room and

			Permanent employment of lifeguards. • Provision of ablution facilities.	ablution blocks.

Priority issue: Basic Service Delivery				
Status Quo		**Development Strategy**		
Requirements	**Progress to date**	**Objective**	**Strategies**	**Possible projects**
• Disaster management & Fire	• Satellite Centre has been established	• Improvement in response time of the emergency services	• Marketing	• Awareness campaigns • Satellite centre for Flagstaff
• Road accidents	• There are ambulances deployed in the area.	• Speedy response for road accident victims	• Authorization of ambulances must be localised.	
		• Reduction in road accident (especially close to schools	• Erection of speed humps	

Priority issue: Basic Service Delivery				
Status Quo		**Development Strategy**		
Requirements	**Progress to date**	**Objective**	**Strategies**	**Possible projects**
• Education	• The current curriculum needs review	• To reduce levels of illiteracy by 10% • To eradicate all mud schools by 100%	• Extension of ABET programmes to deep rural. • Building schools per village (Pre and Primary schools) • Supply of learner and teacher material • Feed all learners at all levels from poor communities • Building libraries, laboratories and information centers • Strengthening of	• Construction of cement schools

			SGB association. • Sensitising students and parents about importance of education.	

Priority issue: Basic Service Delivery

Status Quo		Development Strategy		
Requirements	**Progress to date**	**Objective**	**Strategies**	**Possible projects**
	• There is a brain drainage which cause drop in the standards of health services	• To increase provision of health services by 30%	• Building of well equipped health facilities viz:- clinics and hospitals • Establishment of health posts • Provision of enough medicines. • Establish cooperative structures between western	

			medical practitioners and traditional practitioners • Conduct awareness campaigns on environmental health and communicable diseases. • Provision of mobile clinics.	

Priority issues: Basic Service Delivery

Status Quo		**Development Strategy**		
Requirements	**Progress to date**	**Objective**	**Strategies**	**Possible projects**
• Special Programmes		• Development of integrated programmes	• Centers for Art activities at ward levels • Skills development on women especially the single Ladies • Awareness campaigns by various stakeholders on	

			positive Life style • A specially dedicated talent scout to identify talent • Provision of sporting equipment in schools to encourage youth • Co-ordination of SRAC groups	

7.13 Priority issue: Libraries

Status Quo		Development Strategy		
Requirements	Progress to date	Objective	Strategies	Possible projects
•	• Two libraries are operating even though	• Reduction of illiteracy rate and promotion of culture of learning	• Marketing • Provision of Mobile libraries	•

8.1 PROJECT PHASE

8.1.1 Project for the previous year:

Economic Development:

Table 34: Municipality has funded the following projects LED projects:

Project Name	Ward	Project type (SMME's)	Nature of support
• Khulani Bakery	Ward 04	Manufacturing	Funding & Project Management
• Vukani Self Help	Ward 09	Manufacturing	Funding & Project Management
• Mtshayelo Community Graden	Ward 24	Agriculture	Funding & Project Management
• Khonjwayo Community Garden	Ward 10	Agriculture	Funding & Project Management
• Nkunzimbini Comm. Garden	Ward 21	Agriculture	Funding & Project Management
• Masizame Women's project	Ward 03	Agriculture	Funding & Project Management
• Mangquzu Poultry	Ward 11	Agriculture	Funding & Project Management
• Sophumelela Mtontsasa Poultry project	Ward 24	Agriculture	Funding & Project Management
• Mkhumeni Poultry	Ward 06	Agriculture	Funding & Project Management
• Mthombolwazi	Ward 10	Agriculture	Funding & Project Management
• Greening	Ward 19	Environmental Management	Facilitation
• Hawker stalls	Ward 06/15	Construction of stalls for informal traders	Project management
• Cooperatives	All wards	SEDA has visited various unregistered corporatives	Facilitation
• SMME	All wards	Training has been taken for training. Khulani sewing, Vukani bakery and self help, Ibongo lamampondo, Nkozo sewing for project	Facilitation

		management. Transido, Mxokozwenio, Mamfengwini poultry, Masakhiwe High Value production and waste collection on registration	
• Kwenkezi Trading	Ward 13	Crops	Funding & Project Management
• Cutwini	Ward 23	Tourism development	Facilitation and project management
• Mkhambati	Ward 27	Development of economic hub	Facilitation and project management
• Tourism: Mkhambati Nodal point, Mbotyi, Lambasi & Both towns • Formation of the B& B association (Headed by Mr Ndarane & Crafters council (Mr Bavuma) • Facilitation for promotion of local arts and crafts in National events such as Tourism Indaba & Grahamstown Arts Festival, and • Signages for B&Bs	Ward , Ward Ward 5 & 15	Tourism development	Facilitation and project management

Development Planning

Project Name	Ward	Project type	Nature of support
Shopping Complex in Lusikisiki: Qaunza Project closer to the police station	Ward 15	Commercial development	• Approval of the building plan, • Project management support
Settlement upgrading (Unity Park and Holy Cross)	Ward 18 & Ward 25	Preparation of plans for registration of sites	• Funding and project management
Sale of sites in both towns • Lusikisiki: 54 sites, • Flagstaff: 100 sites	Ward 6 & 15	Preparation of the new business sites	• Project management & funding
Taxi rank Development	Ward 6	Shopping complex	• Facilitation & project management
Lusi Park Middle income	Ward 15	Housing development	• Memorandum of agreement

Extension cemetery site	Ward 06/15	Undertake feasibility through appointment of Engineers to do the engineering studies.	• Funding & Project Management
Relocation of the commonage boundaries	Ward 06/15	Determining the boundaries of the towns	• Funding & Project Management
SDF	All wards	Land development plan	• Facilitation and project management. We have developed and reviewed the SDF
LED Strategy	All wards	Economic plan for the municipality	• Facilitation and project management
Housing Sector Plan	All wards	Housing status	• Facilitation and project management
Implementation of the Municipal Property Rates Act	All wards	General valuation	• Funding, Facilitation and project management
Subdivision and rezoning of cluster office; Sectional titles and Prison	Ward 15	Registration of properties	• Funding, Facilitation and project management
Developed building plan approval	Ward 6/15	Register for all approved building plans	Administering the process
Housing	Ward 3, 4, 6, 15, 4, 8, 17, 23, 26 & 27	Housing projects: Rural housing in Mantlaneni/Nkozo/ Dimfi, Mpoza/Xopozo, Holy Cross/Ingquza All of these areas have been identified for rural housing. Beneficiary lists have been submitted for verification. Housing consumer education has been carried out. Thabo Mbeki Project: The repairs for the project were carried out, but there was a conflict. Title deeds are currently being processed by the municipality and the beneficiaries. The number of the deed of transfers that have been signed is 23 and outstanding number of people is 120. Slovo: service providers	

Table 35: Department of Agriculture

INGQUZA HILL LOCAL MUNICIPALITY: - 2010/2011 PROJECTS.						
PROJECT NAME	**COMMODITY**	**WARD**	**PHASE**	**FEASIBILITY STUDY**	**AMOUNT**	**BENEFICIARIES**
Mqwengana LiveStock Project	Livestock	4	Fencing of Camps	Yes	R839377-44	21
Wayside Growout Piggery Construction Project	Piggery	19	Complete Roofing Phase	Yes	R204726-37	10
Nokuvela –Masigcu broiler Chicken House	Poultry	19	Complete Structure	Yes	R274728-03	7
Khonjwayo –Dimfi-Rhole Asgisa Project	Food Security	23	Fencing of Arable Lands	Yes	R1662090-40	1500
Ntlavukazi-NMngcambeni-Ndengana-Asgisa Projects	Food Security	23	Fencing of Arable Lands	Yes	R1145985-06	1000
Magwa Tea Estate	Tea *roduction	21	Operational	Yes	R17,000000-00	-

8.1.2 Proposed Projects

INGQUZA HILL LOCAL MUNICIPALITY:- 2011/2012 PROJECTS.						
PROJECT NAME	**COMMODITY**	**WARD**	**PHASE**	**FEASIBILITY STUDY**	**AMOUNT**	**BENEFICIARIES**
Mqwengana Livestock Project	Livestock	4	Animal-handling facility-Dip tank	Yes	R1,15000-00	21
Lubala Rural Pilot Project	Food Security	12	Planning Stage	Yes Home Stead 200-Production inputs	R 6000000-00	1500
Nyu-farm irrigation	Food security	19	Fencing and Eskom connections	yes	R170,000-00	7
Ikhwelo Poultry	Poultry	9	Cover sail and Electricity connection	Yes	R50,000-00	8

INGQUZA HILL LOCAL MUNICIPALITY:2012-13 PROJECTS						
PROJECT NAME	**COMMODITY**	**WARD**	**PHASE**	**FEASIBILITY STUDY**	**AMOUNT**	**BENEFIARIES**
Mkhambathi livestock project	Livestock	26	Planning stage for fencing or camps and	Yes	2000,000-00	30

			animal handling facility			
Twazi project	Maize production	09	Fencing of Arable lands	Yes	R800,000-00	25
Itemba lamantlane	Livestock	04	Fencing of camps, shearing shed	No	R950,000-00	20
Zamelisizwe youth project	Poultry	06	Poultry structure	No	R450,000-00	10

Masiphakame vegetable project	Vegetable	06	Irrigation system	No	R600,000-00	12

INGQUZA HILL LOCAL MUNICIPALITY 2013/2014 PROJECTS						
PROJECT NAME	**COMMODITY**	**WARD**	**PHASE**	**FEASIBILITY STUDY**	**AMOUNT**	**BENEFICIARIES**
Fama maize project	Maize	**07**	Fencing of Arable lands	Yes	**R800,000-00**	**60**
Gabajana maize project	Maize	06	Fencing of Arable lands	Yes	R800,000-00	20
Siyaphambili vegetable project	Vegetable	05	fencing	Yes	R200,000-00	15
Xura Red Meat Project	Livestock	16	Planning stage for fencing of Camps	No	R900,000-00	1500
Buhlanyanga red Meat	Livestock	17	Planning Stage for Stock dams and fencing of Camps	No	R850,000-00	110

INGQUZA HILL LOCAL MUNICIPALITY 2014/2015 PROJECTS.					
PROJECT NAME	**COMMODITY**	**WARD**	**FEASIBILITY STUDY**	**AMOUNT**	**BENEFICIARIES**
Xhamla poultry project	**Poultry**	**27**	**No**	**R350,000-00**	**05**
Zithulele poultry project	**Poultry**	**04**	**No**	**R350,000-00**	**12**
Vuka vegetable project	**vegetable**	**05**	**No**	**R250,000-00**	**12**

8.2 Social Development

Table 37: LED projects

Local Municipality	Service Office	Project Name	Location	Ward	Beneficiaries	Type of Project	Activity
Ingquza Hill	Lusikisiki	Siyaphambili Poultry & Garden Project	Buhlanyanga Loc	17	15	Women Development	Poultry
Ingquza Hill	Lusikisiki	Nkwali`s Vegetable Garden	Ngobozana Loc	14	10	Food Security	Garden
Ingquza Hill	Lusikisiki	Stepping Stone Village Project	Makhwaleni A/A, Zimpohleni Loc	02	16	Sustainable Livelihoods	Poultry
Ingquza Hill	Flagstaff	Bhengezimithwane Project	Mangquzu Loc Sipaqeni A/A	07	14	Sustainable Livelihoods	Poultry
Ingquza Hill	Flagstaff	Bambanani Poultry Project	Kimbili Loc Mxopo A/A	11	15	Women Development	Poultry
Ingquza Hill	Flagstaff	Malibongwe Youth Project	Gabajana Loc Sipaqeni A/A	06	15	Youth Development	Poultry
Ingquza Hill	Flagstaff	Ethembeni Lethu Project	Baleni Loc Nkozo A/A	04	15	Food Security	Crop production
Ingquza Hill	Flagstaff	Esigubudwini Project Top Up	Esigubudwini Loc Sipaqeni A/A	07	18	Sustainable Livelihoods	Poultry Farming and Vegetable Garden

Ingquza Hill	Flagstaff	Ndzondelelo Project	Sipaqeni Location Loc	09	10	Sustainable Livelihoods	Crop production
Ingquza Hill	Flagstaff	Zamokuhle Project	Xopozo A/A Ngcweleni Location	08	30	Sustainable Livelihoods	Family Based Garden

8.3 Development planning:

To address land issues in order to facilitate for the sustainable land development that responds to the needs of the communities.

Table 38: Development planning

Objective	KPI	Baseline indicator	Out put	Projects	Source of funding	Responsible person	Budget 2011/2012	Budget 2012/2013	Budget 2013/2014
To control land use management	Identification of certain portions for future developments	Rezoning and subdivision applications approved	Approved land rights	Rezoning applications	Equitable share	Mr S. Thobela	R 500,000.00		
Address land administration to reduce ownership conflicts	Facilitation of the registration of the properties	Registered properties in the deeds registry	Properties registered	Conveyencing of the properties	Equitable share	Mr S. Thobela	R 200 000.00		
To unlock land for future developments	Facilitate for land tenure upgrading	Land tenure upgraded	Diversified development along the coastal area	Coastal Development plan	Land claims	Mr S. Thobela	R 2 000 000.00		
Monitoring of developments	Ensure building complies with minimum building standards	Identified non-complying buildings	Complying and non-complying buildings identified	Identification of the poorly constructed buildings	N/A	Mr S. Thobela	Nil		
To facilitate for the rectification process	Upgraded poorly constructed housing	Identified and reconstruction of the existing housing development	Low cost housing reconstructed	Rectification program	Department of Housing	Mr S. Thobela	Predetermined by the Department of Housing		
To provide for future development patterns	Development of the strategic planning documents	Acquire funding for Local SDF	Adopted SDF	Land use management system	Department of rural development and land reform	Mr S. Thobela	R 1 000 000.00		
To ensure that the municipality is able to raise its revenue	Identified sources of revenue	Control the usage of the revenue sources	Revenue collected	Land usage and implementation of the MPRA	Equitable share	Mr S. Thobela	------		

8.4 Municipal transformation and cooperative development

Integrated Development Planning:

Table 39: Integrated Development planning

To ensure that the municipality directly address the community based needs through good governance and public participation

Objective	KPI	Baseline indicator	Out put	Projects	Source of funding	Responsible person	Budget 2011/2012	Budget 2011/2012	Budget 2012/2013
To ensure that there is integration and co-ordination of the development	Adopted process plan, IDP reviewal	Achievement of the IDP milestones	IDP document adopted	IDP development	MSIG	Mr S. Thobela	R 500 000.00		

8.5 Local Economic Development

Poverty alleviation

To ensure that the municipality is able to support community based initiatives through the local economic development program.

Table 40: Poverty alleviation

Objective	KPI	Baseline indicator	Out put	Projects	Source of funding	Responsible person	Budget 2011/2012	Budget 2012/2013	Budget 2013/2014
To undertake the economic profile of the municipality	Identification of the sustainable programs for implementation	Identification of the economic activities within the Ingquza Hill Area	LED programs identified	Review of LED strategy	Equitable share	Mr S. Thobela	R 500 000.00		
Embark on sustainable tourism development	Analysis of the tourism potential and implementation of tourism project	Analysed tourism potential through tourism development plan	Detailed Tourism Development Plan	Tourism Plan	Equitable share	Mr S. Thobela	R 500 000.00		
To ensure that the agricultural sector is utilised to its maximum potential	Identified agricultural projects for funding support	Projects with potential be identified	Poverty alleviation projects implemented	Poultry, Plantation	Equitable share	Mr S. Thobela	R 1,5 m		
To promote SMME within the municipal jurisdiction	Identified projects to be supported	Project roll out undertaken	Supported SMME	Registration of the SMME, Implementation of the SMME programs,	Equitable share	Mr S. Thobela	R 500 000.00		
To ensure that areas with massive potential for forestry development are identified	Identified areas and programs to be implemented	Community engagements undertaken	Development of the forestry sector to impact positively on the municipal economy.	Training of communities anf Feasibility studies	Equitable Share	Mr S. Thobela	R 500 000.00		
Mathawu Pottery	Project funded	Submission of business plans	Project funding acquired	Analysis of the potential project support	External Departments	Mr S. Thobela	R 2 000 000.00		

Recycling	Project funded	Submission of business plans	Project funding acquired	Analysis of the potential project support	External Departments	Mr S. Thobela	R 2 000 000.00		
Deck viewing/vulture colony	Project funded	Submission of business plans	Project funding acquired	Analysis of the potential project support	External Departments	Mr S. Thobela	R 2 000 000.00		

8.6 Good Governance and Public Participation:
8.6.1 Communications

Table 41: Communications

Objective	KPI	Baseline indicator	Output	Projects	Source of funding	Responsible person	Budget 2011/2012	Budget 2012/2013	Budget 2013/2014
To have a responsive and transparent institution sensitive to the needs of the community	Compliance with Government communication systems/ standards	Communication strategy developed and co-ordinated developments	Developed communication systems	Communication Strategy	Equitable share	Mr S. Thobela	R 300 000.00	R50,000.00	R50,000.00
To improve coordination and communications internally and across government spheres and departments	Communication programmes coordinated.	There is no Local Communicators forum	Local Communicators forum	Formation of LCF, joint programmes across government spheres	Equitable share	S Thobela	R30,000.00	R30,000.00	R30,000.00
To ensure that public is informed and is participating in the IDP and budget process	Number of public meeting for IDP and budget	A minimum of 4 representative forum meetings & 2 budget public meetings	Complete IDP document with public comments and budget	IDP meetings Budget meetings	FMG	S Thobela	R300,000.00	R350,000.00	R400,000.00

	Number of visits to wards through the Mayoral outreach and imbizos	Visit to all 27 wards	Comments and inputs of the communities in the IDP and budget	Mayoral outreach programme for IDP and budget Media advertisements	Equitable share	S Thobela	R200,000.00	R250,000.00	R300,000.00
To encourage public participation in the by informing the population of municipal programmes	State of the Municipality address and open council once every year	Well organised SoMA	Presentation of achievement and programmes for the next financial year by the Mayor	State of Municipality Address and media campaign	Equitable share	S Thobela	R 200,000.00	R210,000.00	R220,000.00
To facilitate ownership of municipal programmes by communities	Number of projects that are completed forwarded to the mayor	Number of completed projects	Acceptance and ownership of projects by communities	Site hand over's for major projects. Sod turning programmes. Project hand over's for completed projects	Equitable share	S Thobela	R200,000.00	R230,000.00	R250,000.00
To improve the image of the municipality	There is currently no common identity	Common identity	Development of a logo Standard protocol for internal and external communication Development of paraphernalia	Logo development, Communication protocol, Development of signage and paraphernalia	Equitable share	S Thobela	R500,000.00	R400,000.00	R400,000.00

Project identification:

1. Housing development,

2. Shopping Complex in Lusikisiki: Lusi Park
3. Shopping Complex in Lusikisiki: Quanza Group
4. Support 10 LED projects,
5. Develop: Tourism Development Strategy,
6. Bio-fuels and integrated food production and irrigation
7. Commercial forestry
8. Holiday resort and golf course
9. Quarry
10. Middle to high income settlement in Flagstaff and Lusikisiki
11. Hawker stalls in Flagstaff,
12. Forestry development,
13. Develop the Coastal Area,
14. Mkhambati Development,
15. Wild Coast Development Plan,
16. Urban renewal for both towns,
17. Embark on township establishment,
18. Shopping complex development: Flagstaff Taxi Rank
19. Municipal Property Rates, Supplementary valuation
20. Environmental preservation,

21. SMME Development and

22. Training of all the LED practitioners.

Basic service delivery

To improve the infrastructural development of the Ingquza Hill Local Municipality

Objective	KPI	Baseline indicator	Out put	Projects	Source of funding	Responsible person	Budget 2010/2011	Budget 2011/2012	Bud 201
Reduction of road Backlogs by 38.1 km in the 10/11 FY.	Project Plan Implementation of Project Plan	Completion of capital projects for the 10/11 FY.	Reduction of service backlogs related to infrastructure.	Construction of Access Roads Nozayi via Mhlopekazi to Norhatshaza A/R (Ward-3) Luphandlasi A/R (Ward-5) Sigubudwini A/R (Ward-7) Gqwarhu A/R (Ward-13) Tshandatshe A/R (Ward-16) Dimfi A/R (Ward-23) Makhawula A/R (Ward-26) Dikidikini Phase 2	 MIG MIG MIG MIG MIG MIG MIG MIG	TM/ST	**R17,571,641.00** R3,896,294.84 R2,911,226.00 R2,937,695.00 R1,964,790.00 R1,773,841.00 R1,790,255.00 R2,525,127.00 R2,356,239.00	**R18,307,450.71**	
				Hlwahlwazi A/R (Ward-11) Gabajana to Mngeni A/R (Ward-06) Ntlembeni A/R	MIG MIG MIG	TM/ST		R3,054,879.75 R2,122,944.25 R3,548,892.96	

	Implementation of maintenance plan. Implementation of the project Plan.		Reduction in the rate of roads deterioration Reduction of service backlogs related to surfacing.	(Ward-01) New rest A/R (Ward-19) Mcamba A/R (Ward-2) Road Maintenance	MIG MIG			R5,447,840.67 R4,132,893.08	
Reduction in the maintenance backlog. To Allow for easy movement within the two CBDs		Maintenance of roads to the length of 45km. Completion of these two projects within this FY.		Maintenance of identified access roads and surfaced roads. Road Surfacing Lusikisiki storm-water upgrade. Flagstaff Arterial road Construction of Community Halls Hombe/Nikiwe Community Hall – Ward 20 Thobile Ndabankulu Community Hall – Ward 9 Joe Slovo Community Hall – Ward 15 Bisi Community	Equitable Share. DoRT DoRT	TM/ST TM/ST	**R400,000.00** **R 4,684,935.98** R1,312,468.00	**R440,000.00** R20,000,000.00 R3,251,000.00	**R48**

Provision of facilities for Social gatherings				Hall – 7	MIG MIG MIG MIG		R1,312,468.00 R2,059,999.98 R1,312,468.00		

Objective	KPI	Baseline indicator	Out put	Projects	Source of funding	Responsible person	Budget 2010/2011	Budget 2011/2012	Bud 201
Reduce number of households who do not have access to electricity by March 2011	Implementation of the project plan.	Completion of the implementation of the phase 2 electrification project.	Reduction in the number of house/ holds without access to electricity.	Tshonya electrification project: Phase 2 Lambasi (continuation) and 547 h/holds are to benefit, Mbotyi A (continuation) and 255 h/holds will benefit, ward 22 & 23 at Ingquza and 543 h/holds will benefit, wards 24, 26, 27 and Khanyayo with 270 h/holds benefiting, and finally wards 24 & 25.	DME DME	TM/ST Eskom	Figure R9,200,000.00 R4,600,000.00 R9,200,000.00 R3,500,000.00		
Elimination of illegal dumping.	Upgraded landfill sites	Upgrading and registration of landfill sites within the 10/11 FY.	Implementation of the project plan.	Upgrading of landfill sites in Flagstaff and Lusikisiki.	Equitable Share.	TM/ST	R500,000.00	R4,000,000.00	

Budget and Treasury Office:

Objective	KPI	Baseline indicator	Out put	Projects	Source of funding	Responsible person	Budget 2010/2011	Budget 2011/2012	Budget 2012/2013
Full implementation of GRAP 17 (Directive 4)	GRAP compliance AFS	Clean audit	AFS	Valuation, assessment of useful lives/residual values & measurement of fixed assets	MSIG & FMG grant	CFO	R450 000	R200 000	R150 000
				FAR update	Equitable share	Senior Accountant	R100 000	R50 000	R50 000
Investment measurement	GRAP implementation	Investment register	Updated Investment Register	Valuation & measurement of Investments	FMG grant	Senior Accountant	R350 000	R50 000	R0 00
Discounting of debtors	IAS 39 compliance	Disclosure in AFS	Receivables in AFS	Retrospective discounting of debtors	FMG grant	Senior Accountant			
To maximize revenue collection	Billing System	Clean data in the billing system	Updated billing system	Provision of accurate billing and data cleansing	FMG	Senior Accountant & Rev Acc	R60 000	R50 000	R30 000

Objective	KPI	Baseline indicator	Out put	Projects	Source of funding	Responsible person	Budget 2010/2011	Budget 2011/2012	Budget 2012/2013
To maximize revenue collection	Meeting the projected revenue collection	Quarterly Community meetings	Fully implementation of credit control	Awareness meeting for rate payers and implementation of credit control policy	Equitable share	Portfolio Head, MM, CFO and All Other Manager	R60 000	R66 000	R72 600
Provide financial assistance to the indigent people for service delivery	Indigent register	Monthly report for the indigent support	Compliance with the legislation	Indigent Support (FBS)	Equitable share	CFO & Expenditure Accountant	R2 000 000	R2 140 000	R2 311 200
Drafting of budget process plan document	Budget process plan	Adoption of budget process plan by Council	Compliance with the provision of the MFMA and related legislation	Budget process plan	Equitable share	Mayor, Portfolio Head, MM, CFO and all Managers	R350 000	R374 500	R404 460

Objective	KPI	Baseline indicator	Out put	Projects	Source of funding	Responsible person	Budget 2010/2011	Budget 2011/2012	Budget 2012/2013
To ensure efficient, effective, economic financial reputing and management system	Financial system upgraded	Fully function of the system	Improved understanding on how systems should function and improved skills gap.	Roll out of the system	Equitable share	MM, CFO and all managers	R450 000	R250 000	R250 000
To have a clean audit report	Implementation plan for clean audit report	Fully implementation plan	Higher performing municipality	Clean audit report	Equitable share & FMG grant	Mayor, MM, CFO and all the managers and department staff	R500 000	R1 000 000	R500 000
To create an environment that is suitable and conducive to training	Development of Personal Development Programmes	Implementation of PDP for all the interns	Compliance with legislation	Internship programme	FMG grant	CFO and departmental staff	R481 500	R529 650	R582 615

Objective	KPI	Baseline indicator	Out put	Projects	Source of funding	Responsible person	Budget 2010/2011	Budget 2011/2012	Budget 2012/2013
To maximize revenue collection	Meeting the projected revenue collection	Quarterly Community meetings	Fully implementation of credit control	Awareness meeting for rate payers and implementation of credit control policy	Equitable share	Portfolio Head, MM, CFO and All Other Manager			
Provide financial assistance to the indigent people for service delivery	Indigent register	Monthly report for the indigent support	Compliance with the legislation	Indigent Support (FBS)	Equitable share				
Drafting of budget process plan document	Budget process plan	Adoption of budget process plan by Council	Compliance with the provision of the MFMA and related legislation	Budget process plan	Equitable share	Mayor, Portfolio Head, MM, CFO and all Managers			

Traffic Services:

To ensure that the municipality directly address the community based needs through good governance and public participation

Objective	KPI	Baseline indicator	Out put	Projects	Source of funding	Responsible person	Budget 2010/2011	Budget 2011/2012	Budget 2012/2013

To improve the efficiency of traffic services	Traffic Management Plan	30% efficiency rate	Traffic service readiness	Radio Rooms, Training, Recruitment, Procurement of equipment.	Internal Revenue	Mr M. Garane	R500 000	500 000	
To coordinate smooth traffic flow and reduce road fatalities	Traffic law enforcement	25% revenue generated	Operational plan	Patrols, escorts, Roadblocks, Point Duty	Internal Revenue	Mr M. Garane	R350 000	500 000	
To promote traffic safety for reduction in collisions involving pedestrians especially children.	Traffic safety Programme	5 accidents weekly	Traffic safety	Heavy driver competition, scholar patrols, speed humps, Child in traffic, Arrive Alive, Stray animal management	MIG, DORT, Equitable Share	Mr M. Garane	R300 000		
To reduce the impact of disasters and improve the response and relief time.	Disaster Advisory Forum	80% risk exposure	Disaster Risk Management Plan	Awareness campaigns, Provision of relief	Equitable Share	Ms M. Myolwa	R250 000		

Municipal transformation and organisational development

Special programmes:

To ensure that the municipality

Objective	KPI	Baseline indicator	Out put	Projects	Source of funding	Responsible person	Budget 2010/2011	Budget 2011/2012	Budget 2012/2013
To promote integration of youth, women and disabled people in the economy activities.	Number of employed people and economical activity	Only 5% is employed or economical activity	Functional Sport councils, Disabled organisations and women organisations.	Training, Sewing, bead works	Equitable Share	Ms P. Qwabe	R150 000		

To promote arts and culture activities.	Number of registered artists	35% register artists	Data base	Exhibition, Talent scouting, Indigenous games	Equitable Share	Ms P. Qwabe/Mr V. Tukani	R200 000		
To ensure sustainable food security for each needy household.	Poverty Alleviation	60% of households have no food security	Number of projects	Community gardens, one home one garden campaigns,	Equitable Share	Ms P. Qwabe/Mr V. Tukani	R250 000		
To promote sporting activities in our communities	Sport calendar	40% sporting involvement	Local Sport Council	Youth games, Mayoral cup, Summer games	Equitable Share	Ms P. Qwabe/Mr H. Mosea			

Basic Service Delivery and Infrastructure Development

To ensure that the municipality deliver best services to the community

Objective	KPI	Baseline indicator	Out put	Projects	Source of funding	Responsible person	Budget 2010/2011	Budget 2011/2012	Budget 2012/2013
To improve the registration and licensing of motor vehicles	Registering Authority	60% of vehicles are registered outside the municipality.	Increased vehicle population	Remedial training, workshops, relocation of data lines to new site.	Equitable Share, Internal revenue	Mr M. Garane	R 450 000		
To increase the number of licensed drivers by providing driving licence testing service to local community	Drivers Licence Testing Centre	40% of drivers are unlicensed	Fully operational centre	Training, Customer surveys, Testing of applicants	Internal funding	Mr M. Garane	R150 000		
To reduce road accidents caused by un-roadworthy vehicle	Vehicle Testing Station	50% of vehicle population is unroadworthy	Fully operational station	Training, testing of vehicles, calibration of equipment	Internal Revenue	Mr M. Garane	R250 000		

To promote safety and security in our area by reducing crime rate	Crime prevention	40% crime rate	Enforcement of by-laws, Regulation of liquor trading	Joint operations, awareness campaigns, establishment of municipal police	Equitable Share	Mr M. Garane	R500 000		
To promote safety in our beaches	Beach Safety Management	Reduction in drowning and robbery	Beach Safety Management Plan	Lifesaving operations, patrols	Equitable Share	Mr M. Garane	R200 000		
To ensure integration and co-ordination of HIV/Aids programmes and other diseases	Health strategic plan	40% decrease in positivity rate	VCT statistics	LAC meetings, Main streaming	Equitable Share	Ms P. Qwabe/Mr V. Tukani	R150 000		
To instil the culture of reading and writing in the society	Draft library policy	37% literacy rate	Library register	Library week, World Book Day, Poetry Day, Literacy and readerthom month.	DSRAC, Equitable Share	Mr W. Nqalo	R200 000		
To promote early learning through Early Childhood Development	Education policy	50% improvement	Statistics from Dept. Of Education	ELRU,	Equitable Share	Ms P. Qwabe	R100 000		
Cleaning and greening of Ingquza Hill	Environmental health policy	60% greening	Greenness	Grass cutting, Horticulture, tree pruning	Equitable Share	Ms P. Qwabe	R300 000		
To ensure dignified and identifiable graveyard.	Burial/Cemetery Register	70% of unidentifiable graves	Number of graves identifiable	New cemeteries registration,	Equitable Share	Ms P. Qwabe/Mr Kasana	R50 000		

Local Economic Development

To ensure that the municipality contributes to the local economic growth

Objective	KPI	Baseline indicator	Out put	Projects	Source of funding	Responsible person	Budget 2011/2012	Budget 2012/2013	Budget 2014/2015
To ensure that there is integration and co-ordination of the development	Adopted process plan, IDP reviewal	Achievement of the IDP milestones	IDP document adopted	IDP development	MSIG	Mr S. Thobela	R 250,000		

Good Governance and Public Participation

To ensure that the municipality directly address the community based needs through good governance and public participation

Objective	KPI	Baseline indicator	Out put	Projects	Source of funding	Responsible person	Budget 2011/2012	Budget 2012/2013	Budget 2013/2014
To ensure that there is integration and co-ordination in solving of transportation related matters	Transport Forum	5% of transport projects are implemented.	Integrated Transport Plan	Meetings, workshops	Equitable share	Mr M. Garane	R100 000		
To ensure integration and co-ordination in crime prevention activities	Crime prevention	30% of community participation	Community Safety Plan	Community Safety Forum	Equitable Share	Mr M. Garane	R100 000		

8.14 Municipal Transformation

Objective	KPI	Baseline	Output	Project	Project Description	Sources of funding	Responsible Person/s	Year 1 2010/11	Year 2 2011/12	Year 3 2012/13
To provide sustainable service delivery through ICT	To maintain infrastructure &systems	80% complete	Functioning data lines	Maintaining ICT	Procuring IT infrastructure, licensing software, maintaining website	Equitable share, assessment rates	C/S Man, IT Technicians, Systems Administrator	350 000	371 000	393 160
To improve the capacity of the municipality to meet community needs	To provide administrative services	70%	Inventory of equipment	Furniture & Office Equipment	Procuring furniture & office equipment for the whole institution	Equitable share, vat refund	C/S Man, SCSO, Admin. Officer	200 000	212 000	224 000
To improve the capacity of the municipality to meet community needs	To provide administrative services	60%	Monthly fleet reports	Fleet management	Purchasing additional & replacing old vehicles for the institution	Equitable share, assessment rates, vat refund	C/S Man, SCSO, AO, Transport Officer	1, 530 000	1, 621 800	1, 719 108
To improve skills levels & performance	To train councilors & officials	50%	Report to LG SETA	Training of Councilors & Officials	Provision of workshops, short courses, and longer programmes for the development of skills in councilors, officials and members of the public	Equitable share, LGSETA	C/S Man, SCSO, Training Officer, Training Assistant	1, 100 000	1, 166 000	1, 235 960

Project Title	Reason for Projects	Responsibility	Est.Cost (ZAR)	2011/2012	2012/2013	2014/2015	2015/2016
Forward Planning							
Urban Renewal Plan Lusikisiki Flagstaff	To uplift the towns & to provide greater detail on what land uses would be permitted	Town Planning	R 300,000 R 300 000	R 300,000 R 300 000			
Coastal Nodal Plan Mbotyi Msikaba	To provide greater detail on what land uses would be permitted	Town Planning	R 150,000		R 150,000		
Rural Service Center Nodal Plan Nkozo Holy Cross Mthotsasa	To provide greater detail on what land uses would be permitted	Town Planning	R 150,000	R 150,000			
Tourism Nodal Plan Ingquza Hill Ingquza Hill Great Place The whole coastal area Mkhambathi Magwa Falls	To provide greater detail on what land uses would be permitted	Town Planning	R 150,000		R 150,000		
Sub Total			**R 600,000**	**R 300,000**	**R 300,000**		
Settlement							
Land reform and settlement Plan	To accommodate informal settlement and land tenure pressures in the municipality	Town Planning	R 400,000		R 400,000		
Sub Total			**R 150,000**		**R 150,000**		
LED							
LED and Tourism Plan	To determine what facilities and invitations can be established for the area	Economic Development and Tourism	R 500,000		R 500,000		
Sub Total			**R 500,000**		**R 500,000**		
Environmental/ Agriculture							

Demarcation of Coastal Forest	To protect the area from development	Environmental	R 100,000		R 100 000		
Soil Feasibility Study	Feasibility into whether the soils can be worked in such a manner to reduce their limitations	Agricultural	R 200,000			R 200000	
Alternative Farming Methods Study	Assess opportunities of crops adapted to the natural resources	Environmental	R 300,000			R 300,000	
Viability Analysis of Forestry Potential	Assess Forestry Potential	Agricultural	R 200,000			R 200,000	
Sub Total			**R 580,000**		**R 30,000**	**R 550,000**	
Engineering							
Roads Master Plan	Establish and implement a programme of regular maintenance to the services to improve the condition	Engineering	R 200 000,000	R 200 000			
Sanitation Master Plan		Engineering	R 200,000	R 200 000			
Water Master Plan		Engineering	R 200 000		R 200 000		
Sub Total			**R 600,000**	**R 400, 000**	**R 200,000**		
Social Development							
Cleaning and Renovations of homesteads	Social upgrade and improvement of the livelihoods of the Ingquza Hill people.	Ingquza Hill Municipality	R 2, 200,000	R 2, 200,000			
Bus and Taxi Rank		Ingquza Hill Municipality	R 6, 000.000	R 6, 000.000			
Hawkers Stalls		Ingquza Hill Municipality	R 900,000		R 900,000		
Public Toilet Facilities		Ingquza Hill Municipality	R 300,000		R 4, 000,000		
Parks and recreational facilities		Ingquza Hill Municipality	R 4, 000,000			R3, 000,000	
Upgrading of existing and development parking bays		Ingquza Hill Municipality	R3, 000,000			R3, 000,000	
Upgrading of pavements			R 1, 500,000		R 1, 500,000		
Development of		Ingquza Hill Municipality	R 200,000			R 200,000	

proper commonage for livestock							
Upgrading of Town Halls			R 200,000	R 200,000			
Sub Total			**R 18,300,000**	**R 8,400,000**	**R 6,400,000**	**R 6,200,00**	
Development and Planning	Establish and implement a programme of regular maintenance to the services to improve the condition						
Town Planning Review		Town Planning	R 200,000	R 200,000			
Upgrade Sanitation		Ingquza Hill	R 1, 000,000		R 1, 000,000		
Electricity Upgrade		Ingquza Hill	R 1, 200,000		R 1, 200,000		
Industrial park development		Ingquza Hill	R 900,000	R 900,000			
Upgrade Water Supply		Ingquza Hill	R 1, 000,000	R 1, 000,000			
Sub Total			**R 4, 300,000**	**R 2, 100,000**	**R 2,200,000**		
GRAND TOTAL			**R25,030, 000**				

9. Integration

As part of the integration phase the following sector plans have been included in the IDP:

- Spatial Development Framework (SDF)
- Human Resource Plan
- Financial Plan
- Disaster Management Plan
- Local Economic Development
- Tourism Plan
- Housing Sector Plan
- Water Services Development Plan
- Road Infrastructure Maintenance Plan
- Waste Management Plan
- Public Participation

Sector Departments: Projects 2011/2012

DEPARTMENT OF ROADS AND TRANSPORT

Project Name	Municipality	Project description	Type of Infrastructure	Project duration		Total Project Cost	Expenditure to date from previous years	MTEF 2011/12	MTEF 2012/13	MTEF 2013/14
			(No of km)	Date: Start	Date: Finish			Project Costs R'000	Project Costs R'000	Project Costs R'000
			Total							
Routine Roads Maintenance	Ingquza Hill	Maintenance	498	Apr-11	Mar-12	9,630		1,000	4,150	4,480
RMC Tar : R61 Port Edward to Port St Johns	various	Maintenance	239	Apr-11	Mar-12	33,252	19,682	4,180	4,510	4,880
Flagstaff-Lusikisiki	Ingquza Hill	Maintenance	18	Apr-11	Mar-12	39,925	0	35,925	4,000	
Flagstaff-Magusheni	Ingquza Hill	Maintenance	30	Apr-11	Mar-12	46,700	10,000	33,700	3,000	
DR 08026 & DR 08149 to Magwa Tea Plantation	Ingquza Hill	Maintenance	24	Apr-11	Mar-14	36,500	16500		10,000	10,000

DEPARTMENT OF ENVIRONMENTAL AFFAIRS

NGQUZA HILL LOCAL MUNICIPALITY						
IP-INGQUZA HILL GREENING AND BEAUTIFICATION	R10m				30/06/11	SANBI
AP1- MKHAMBATHI NATURE RESERVE	R23m				31/12/11	ECPB

DEPARTMENT OF HEALTH

New Projects					
Area	Type of Facility	Commenced	Ended	Funding	Progress
Ingquza Hill Municipality	KTC Clinic	Oct 07	Aug 10	R 4 990 051	Completed but not yet opened
	Mbadango Clinic	Dec 07	July 09	R 5 332 094	Completed but not yet functional
	Mbotyi Clinic	July 05	April 10	R 4 369 682	Completed but not yet functional
	Meje Clinic	June 10	April 10	R 9 000 000	Upgrade

WOMEN DEVELOPMENT

DISTRICT MUNICIPALITY: OR TAMBO

LOCAL MUNICIPALITY	AREA OFFICE	NAME OF PROJECT	LOCATION	NATURE OF PROJECT	NO OF BENEFICIARIES	PROBLEMS TO BE ADDRESSED	FINANCIAL IMPLICATIOS(availability required)
LUSIKISIKI	Ingquza	Bhengez'imithwane	Mangquzuni 07 Flagstaff	Poultry	14	Insufficient Income. Inadequate Skills Limited Job opportunities	R500 000 is required but pending approval of business plans
	Ingquza Hill	Masikhulisane Community	Taweni Lusikisiki	Poultry	16	Insufficient Income. Inadequate Skills Limited Job opportunities	R500 000 is required but pending approval of business plans
	Ingquza Hill	Zanokhanyo Bhungeni	Flagstaff 08	Poultry	15	Insufficient Income. Inadequate Skills Limited Job opportunities	R500 000 is required but pending approval of business plans
			Ludeke	Poultry Sewing	15	Insufficient Income. Inadequate Skills Limited Job opportunities	R500 000 is required but pending approval of business plans

		Thina Ludeke Project	Skwateni	Poultry	07	Insufficient Income. Inadequate Skills Limited Job opportunities	R500 000 is required but pending approval of business plans

Local Municipality	Service Office	Project Name	Location	Ward	Beneficiaries	Type of Project	Activity
Ingquza Hill	Lusikisiki	Siyaphambili Poultry & Garden Project	Buhlanyanga Loc	17	15	Women Development	Poultry
Ingquza Hill	Lusikisiki	Nkwali`s Vegetable Garden	Ngobozana Loc	14	10	Food Security	Garden
Ingquza Hill	Lusikisiki	Stepping Stone Village Project	Makhwaleni A/A, Zimpohleni Loc	02	16	Sustainable Livelihoods	Poultry
Ingquza Hill	Flagstaff	Bhengezimithwane Project	Mangquzu Loc Sipaqeni A/A	07	14	Sustainable Livelihoods	Poultry
Ingquza Hill	Flagstaff	Bambanani Poultry Project	Kimbili Loc Mxopo A/A	11	15	Women Development	Poultry
Ingquza Hill	Flagstaff	Malibongwe Youth Project	Gabajana Loc Sipaqeni A/A	06	15	Youth Development	Poultry
Ingquza Hill	Flagstaff	Ethembeni Lethu Project	Baleni Loc Nkozo A/A	04	15	Food Security	Crop production
Ingquza Hill	Flagstaff	Esigubudwini Project Top Up	Esigubudwini Loc Sipaqeni A/A	07	18	Sustainable Livelihoods	Poultry Farming and Vegetable Garden
Ingquza Hill	Flagstaff	Ndzondelelo Project	Sipaqeni Location Loc	09	10	Sustainable Livelihoods	Crop production
Ingquza Hill	Flagstaff	Zamokuhle Project	Xopozo A/A Ngcweleni Location	08	30	Sustainable Livelihoods	Family Based Garden

SUSTAINABLE LIVELIHOODS

LOCAL MUNICIPALITY	AREA OFFICE	NAME OF PROJECT	LOCATION	NATURE OF PROJECT	NO OF BENEFICIARIES	PROBLEMS TO BE ADDRESSED	PROJECT COSTS
LUSIKISIKI	Lusikisiki	Masikhule Food Security	Mpoza(17)	Crop Production	23	Inadequate food supply High levels of poverty Insufficient Income, Limited Jobs	R750 000 is required but pending approval of business plans

10. SECTOR PLANS

EXECUTIVE SUMMARY

1.0. POLICY CONTEXT:

1.1. The Legal Context for Housing Provision in South Africa

It is a requirement that all municipalities in South Africa prepare a Housing Sector Plan (HSP) as a chapter of Integrated Development Plans (IDP's), in terms of Municipal Systems Act (MSA) 32 of 2000. The main purpose of the housing sector plan is to guide and inform all future housing developments and to inform management, budgeting and decision - making processes with regards to housing development. The HSP aims at ensuring, orientating and re-focusing the municipality's vision to deliver according to its developmental mandate of housing delivery.

Preparation of the IHSP has been guided by a number of principles which were obtained from the following pieces of legislation and policies.

- ***Constitution: Bill of Rights: 1996***
- ***National Housing Code***
- ***Local Government Transition Act 1995***
- ***Rural Development Framework 1997***
- ***The National Housing Act (107) of 1997***
- ***White Paper on Local Government 1998***
- ***Municipal Demarcation Act 1998***
- ***Municipal Systems Act 2000***
- ***The White Paper on Wise Land Use (July 2001)***
- ***Provincial Growth and Development Plan (PGDP)***

1.2. Objectives of the Housing Sector Plan (HSP)

The HSP aims to outline the needs and demands for housing, respond to fundamental challenges with regards to provision of housing and make proposals for realistic strategic housing interventions. The following are the objectives:-

- Institutionalising housing delivery in order to ensure meaningful, effective and efficient housing delivery through monitoring, evaluation and review of existing projects.
- Enabling municipalities to align and direct their financial and institutional resources towards agreed policy objectives and programmes, based on the existing housing backlog and housing need.
- To inform the multi-year subsidy allocation of the Provincial Department of Local Government and Housing (PDHLG).
- To be able to develop an institutional framework and capacity for the required administration and effective implementation of housing programmes.
- Ensuring linkages with budgets and accessing funding from private developers.
- Ensuring alignment of housing delivery with the strategic development areas as identified by the Spatial Development Framework (SDF).

- Ensure integration between housing and service provision, for example physical (roads, water, sanitation and electricity) and social infrastructure (health, education, safety and security).

2.0. PARTICIPATORY PROCESS

The involvement of stakeholders, the community and other interested and affected parties is key in the development of this Housing Sector Plan. In the process service providers will share information and seek advice from the community about their housing issues. Community members, instead of being passive receivers of a development project, will be awarded the opportunity to articulate their problems and priorities in order for them to be realized. In this way the community actively takes part in the planning and decision-making processes thereby influencing resource allocation.
It is hoped common goals and principles of good governance and democracy will be established in every phase during the preparation of the plan and the sustainability of the project will also be enhanced. Although the process itself is usually considered time consuming, it will give the community a sense of ownership and responsibility towards the project ensuring better project output in terms of planning. It will also enhance transparency and accountability in the whole planning process.

3.0. THE PLANNING PROCESS

The planning process will be undertaken in the following five phases:-

- **Phase 1:** *Project Inception*
- **Phase 2:** *Desktop Analysis Report*
- **Phase 3:** *Data Analysis and Interpretation*
- **Phase 4:** *Formulation of a Housing Strategy*
- **Phase 5:** *Final Housing Sector Plan*

4.0. EXISTING SITUATION

LOCATION

Ingquza Local Municipality is located in the South Eastern part of the O.R. Tambo District Municipality (DM) and consists mainly of Lusikisiki and Flagstaff urban centres. It is bordered by the –

Indian Ocean to the South East, Mbizana LM to the East, Ntabankulu LM to the North and North West and Port St Johns LM to the South and West.

4.1. HOUSING AND URBANISATION

The Ingquza SDF (July 2005) sourced from 2001 data, identified Ingquza housing needs to amount to approximately 33 502 households (608 urban houses and 32 894 rural houses). The Ingquza IDP 2007-2012, identifies a number of issues that increase the need for housing and contribute to the slow pace of delivery in the field.

- Firstly, it has been noted that the municipality has no land use planning policy.
- The municipality lacks human skills capacity to deal with development issues and control.
- Urbanization

5.0. MUNICIPAL INFRASTRUCTURE

5.1. Water Supply

Census 2001 revealed that the municipality has poor access to water supply and sanitation facilities. 11% of households access water from rivers and streams while 36% access piped water either inside dwelling or inside the yard or on community stands. The remaining 63% access water from boreholes, dams or street vendors. The O.R. Tambo District IDP 2007-2012 currently reflects that there is a 68.5% backlog in the provision of water.

5.2. Sanitation Facilities

Approximately 52% of households have no access to sanitation facilities while only 3% have a flush toilet connected to sewerage system or with a septic tank. The rest of the population use pit latrine (44%) or bucket latrine (1%) for sanitation.

5.3. Roads and Stormwater

Ingquza is traversed by the R61, which runs through both Lusikisiki and Flagstaff, the municipality's two commercial nodes. This road is poorly maintained. The majorities of the access roads is not tarred and are characterized by potholes and a lack of maintenance.

5.4. Electricity

Approximately 51% of households have access to electricity and 39% use candles as a source of lighting. The rest use either paraffin or gas.

5.5. Solid Waste Disposal

2% of the households have their waste removed by the local municipality at least once a week while 62% use their own refuse dump and 35% have no refuse disposal. Currently, waste disposal services are limited to urban areas. In rural areas, own refuse dumps still dominate. The municipality has been identified to have a 97% backlog in the provision of this waste disposal service.

5.6. Institutional

The housing division is well below capacity in terms of staff complement. Only two officials are responsible for housing delivery in the municipality. Furthermore, the current staff complement and councilors require more training to increase their understanding of housing policies and processes thereby enabling them to carry out their expected duties more efficiently.

Although the municipality has limited human capacity, it has the ability to undertake the following tasks; planning, beneficiary identification, business plan application, financial control as well as progress reports. Some activities such as settlement and top structure

design, building and top structure construction as well as service installations are usually undertaken by service providers.

6.0. HOUSING PROJECTS

6.1. Current projects

a. Thabo Mbeki - Extension 5

The Thabo Mbeki settlement is located in Flagstaff. It has 503 sites (phase 1). 258 houses have been completed though some structural defects have been identified on the completed units. 245 units are still outstanding and the municipality has requested further funding from the DGLHTA. The project is currently blocked as a result of cashflow. This therefore has led to delays on phase two of this project, which has 927 sites.

b. Joe Slovo Park

Funding was provided for 1117 sites in Slovo Park in the year 2000. It was a project-linked subsidy and was later converted to PHP . A total of 1111units have been completed. The remaining 6 units have either been affected by the encroachment of a school into the settlement, land invasion or a very steep and undevelopable slope. The area is serviced with electricity, but does not have roads, toilets or water.

c. Ggathula

The project is a PHP project. It has 500 informal units in Lusikisiki and was approved in the year 2004. It has already been surveyed and is currently at planning stage. A housing manager must be appointed in order to ensure speedy implementation of this project. In fact, this project still has to be followed up to confirm its status.

6.2. Current Rural Housing

The O.R. Tambo DM is responsible for addressing the rural housing need in the municipality. Two projects are currently underway and include Nkozo and Mantlaneni rural settlements with 300 units each. In Nkozo 195 out of 300 houses are complete, 46 are on slab and 40 houses need a roof.

On the other hand in Mantlaneni 88 houses have been completed, 10 are at slab level while approximately 183 are still outstanding.

6.5.126.3. Informal Settlements In- situ Upgrade/Formalization

The majority of the population in the municipality lives in informal dwellings. This increases the need for affordable houses to be provided.

Malizole and New Rest

New Rest and Malizole settlements are both located in Lusikisiki. Plans for both areas were prepared and presented to the municipality in March 2003. Layout plans were discussed and approved by the municipality. These are however still to be approved by council as a council resolution is required for submission to the Land Use Board for Township Establishment. Several efforts to obtain council approval have failed so far.

6.4. Township Planning

An application for township establishment of an existing informal settlement, i.e. Malizole was prepared and submitted to DHLGTA in 2005. Malizole comprises of existing low to middle income housing. The availability of infill sites has also made it possible to propose more sites for the area. Business plans were prepared and submitted to DHLGTA in February 2005 requesting funding for the upgrade and rationalization of 500 sites in Unity Park and 800 sites in Zwelitsha. No funding has been approved at this stage.Informal settlement upgrading for Unity Park and Nkululekweni settlements have been approved and are at an implementation stage. These two projects are also linked to housing applications that have been submitted to the department.

6.5. New Projects

A number of projects have been submitted for approval by the department of housing; there two urban projects and five rural projects:

Urban projects

- Unity Park 500 units
- Nkululekweni 500 units

Rural Projects

- Xhopozo 500 units
- Ngquza 500 units
- Holy Cross 500 units
- Dimfi 500 units
- Mpoza 500 units

7 7.0 STRATEGIC FRAMEWORK

7.5.11 Housing Vision

"A municipality that provides adequate and quality houses ensuring viable and sustainable communities through the delivery of basic infrastructure and access to economic opportunities as well as social amenities"

The following **CHALLENGES** facing the Municipality were identified during the preparation of this plan

Institutional

- Limited human resource capacity in the housing unit and limited understanding of housing policies and processes
- Delayed responses to applications

Finance

- Limited budget for housing projects
- Slow payment process for contractors

7.5.11.1 Infrastructure

- Lack of provision of bulk infrastructure on all new and current housing projects

7.5.11.2

7.5.11.3 Land and Housing

- 80% of houses are traditional structures
- Increasing demand for housing as a result of urbanization
- Limited land for housing development
- Illegal occupation of land
- Lack of new land policies to redress previous land dispensation
- Construction of poor quality houses
- Limited fairness and transparency in allocating houses
- Blocked housing projects
- Lack of skills among the emerging contractors
- Increase personnel and capacity
- Training of councilors and officials

7.5.11.4 **Strategies** include dealing with challenges facing the municipality were laid out as follows:

Institutional

- Employment of additional staff
- Skills development

Finance

- Develop revenue raising strategies
- Develop new payment systems and processes

7.5.11.5

7.5.11.6 Infrastructure

- Provision of bulk infrastructure and preparation of business plans to source funding.

7.5.11.7 Land and Housing

- Acquire funding
- Proactive planning, identification of land for future housing and development of Rental Housing Stock
- Develop a land use management system
- Database cleansing
- Increase personnel and capacity
- Training of councilors and officials
- Identification of houses to be restored, application for funding and restoration of houses with defects
- Update waiting list
- Acquire funding

- Unblock all housing projects
- Training on technical skills and financial management

10.2 SPATIAL DEVELOPMENT FRAMEWORK

Introduction

In terms of the Ingquza Hill Municipality Integrated Development Plan (IDP), the Ingquza Hill Spatial Development Framework (SDF) is deemed to be of strategic importance. It relates to the need to develop a Spatial Development Framework for land development. This area is seen to be of importance in correcting the historically distorted spatial pattern of development within the Municipal area and the plan would enable critical socio-economic linkages between important areas such as the rural settlements, coastal area and the two CBD's Flagstaff and Lusikisiki.

In terms of Section 26 (e) of the Municipal Systems Act (Act No. 32 of 2000) the Spatial Development Framework (SDF) will become a statutory plan when approved by Council, and will guide and inform all decisions on spatial development within the Ingquza Hill Municipal area.The Ingquza Hill Municipality is one of seven local (Category B) Municipalities situated within the O.R Tambo District Municipality in the Eastern Cape. Ingquza Hill Municipality is bound by Mbizana Municipality to the north, Port St Johns Municipality to the south west and the Indian Ocean to the east.

Situation Analysis

This study included desk-top research and the collection of secondary information. The key issues that have been formulated as a result of the situation analysis are as follows:-

7.6 Social Development

- Inadequate police stations and policing of the area;
- Health facilities are inadequate to cater for community needs;
- Shortage of sports and recreation facilities; and
- Insufficient education facilities and upgrading of existing facilities required.
- There is a need for satellite Municipal and Government offices

7.7 Land and Housing

- Land ownership and access to land is a severe problem;
- No land use management and development control;
- Land invasion to be prevented and controlled;
- There is a shortage of housing within the urban areas;
- Access to funding is a major problem for middle income housing;
- There is a need for rural planning; and
- Issues of illegal cottage owners need to be addressed;
- Settlements are mushrooming in an uncontrollable environment;
- Growing pressure from private sector for land for development;
- Re-alignment of N2 will result in sprawl and ribbon development;
- Insufficient Agricultural equipment/implements in local projects;

- Coastal towns are under pressure for development and invasion into protected areas and need to be effectively policed.

7.8 Local Economic Development and Tourism

- Private sector investment is required;
- High unemployment rate;
- Under/ineffective utilisation of local resources;
- Poor skills base; and
- Business skills not only technical skills required;
- Tourism potential not being harnessed: Coastal and Heritage;
- No access to Markets;
- Tourism

7.9 Environment and Agriculture

- Protection and management of environmentally sensitive areas is required;
- Development along the coast needs to be monitored;
- Quality of livestock is a problem;
- Fences are required;
- Sites for large scale crop farming need to be investigated;
- Forestry sector is underdeveloped; and
- Private sector assistance is required with forestry sector.

7.10 Infrastructure

- Only 13.4 % of the population receive a level of service for water above RDP standards;
- Most services limited to the main towns and few isolated rural areas;
- Only 2.9 % of the population receive a level of service for sanitation above RDP standards;
- There are no legal solid waste disposal sites within the Municipality;
- Quality of electricity supply has been extremely poor;
- Only tar road is the R61, except for a small length on the way to Mbotyi. Most roads are gravel and are in a bad condition and impassable in wet weather; and
- A poor telecommunication system exists;
- Existing road network makes access across municipality difficult;
- Access roads are in a serious need of repair and upgrading.

Public Participation

To ensure that the widest participation was achieved throughout this study, a project steering committee was established which included officials from the Ingquza Hill Local Municipality, members of the appointed consortium and ward councilors.

Public meetings were also held at the end of Phase 2, 3 and 4 respectively. The meetings were held at the Lusikisiki Municipal Hall and were attended by ward councilors, ward committees, various government departments and community representatives. The meetings were well attended and significant comments were provided and incorporated in this document.

Preferred Scenario

The third scenario looks at unlocking the optimum potential of land in the areas of tourism and agricultural development in the area. The focus on these particular aspects of development will improve the economic potential of the area and subsequently improving the livelihoods of the residents. Managed development through consultation and participation and work-shopping and training of role players and the communities at large will improve the capacity of residents. Empowerment and capacity building have positive implications on service delivery. Along with managed development, a National Toll-Road is proposed in the area. This development is ideal because it will enhance tourism and investment opportunities. It will increase accessibility and linkages to surrounding core areas.

In order to protect the sensitive areas from uncontrolled development, management of land uses and development in the following manner is preferred:-

- Coastal Node and Tourism Resort growth;
- Settlement upgrading;
- Creation of jobs in Tourism and Agriculture;
- Community Agricultural Enterprises;
- Well managed Land Uses.

This is the most preferred scenario where development will focus on the aspects that will yield the most potential for the municipality.

Conceptual Framework

Taking cognizance of the development perspective and preferred scenario, the followimg:-

- **Coastal Area**
  Coastal resort growth is focused in and around Mbotyi, Role Mouth, Msikaba and Mtentu. Development pressure is always experienced to the pristine beauty of the area.
- **Urban Area**
  The urban areas of Flagstaff and Lusikisiki are the earmarked for further urban growth where a vast amount of amenities and basic services will be clustered. These towns currently service a large rural population and with the proposed N2 Toll Road being planned, it has a ripple effect on growth and expansion of the town.
- **Rural Settlement Area**
  Rural growth is dominant in the area and further rural settlement is to be directed outside the urban edges of urban and rural service centres.

Ingquza Hill has great agricultural potential; these opportunities are offered by the large tracts of fertile rural land. A growing economic sector for the future is seen to be tourism, which could be developed around the opportunities presented by historic and cultural tourism products, as well as the coastal attractions along the ocean shore.The conceptual framework, emanating from the development strategy and principles indicated above, is one that encourages sustainable economic growth and social development.

The Eastern Cape Biodiversity Conservation Plan of the OR Tambo District Municipality reflects large environmentally sensitive areas within the Ingquza Hill Municipal boundary and

protection is required, especially along the coast. Ingquza Hill is characterized by limited accessibility, in order to create opportunities for economic growth and development, an integrated transportation system is of importance. The proposed N2 Toll Road and upliftment and revival of the Lusikisiki and Flagstaff urban centers will unfold economic opportunities for the settlements between them. The above will assist in integrating community tourism development, driven largely by partnerships between private sector investment and public sector development programmes.

Spatial Structuring Elements

To plan for efficient transport access, maximize the use of resources and to achieve sustainability, there needs to be a focus on investing limited public resources to areas of opportunity in order to create maximum impact. For this to be achieved, certain structuring elements are required to guide future planning. These structuring elements are clustered into the following four main components:-

- Environmentally Sensitive Areas/"No-but"Areas
- Nodes
- Corridors
- Urban Edge

7.10.11 Environmentally Sensitive/ "No-but Areas"

Environmentally sensitive "no-but areas are those areas where in terms of broad environmental constraints and other environmental reasons (including legislation) development is not desirable, but not excluded. Any proposed development within a "no-but" area should be viewed with caution and should include a thorough evaluation of the following before designing an area for future development or change in land usage:-

- Local environmental conditions and limitations
- Legislative restrictions and requirements (such as listed activities and environments in terms of the Environmental Conservation Act).
- Current and future environmental projects.

Ingquza Hill Municipality has areas which form part of the listed global hotspots, and these regions of high endemism and threat require conservation attention. The South African legislation such as the White Paper for Sustainable Coastal Development establishes the principles for the protection of sensitive, vulnerable, highly dynamic or stressed ecosystems, such as coastal shores, estuaries, wetlands and similar systems require specific attention in management and planning procedures, especially where they are subject to significant human resource. The following areas are regarded as environmentally sensitive/ "no-but areas within the study area.

7.10.11.1 Nature Reserves

The Mkhambati Nature Reserve serves to conserve rare and endangered plants and animals and therefore needs protection status.

7.10.11.2 Coastal Area

The coastal area represents the most important environmental asset within the study area as it provides opportunity to attract tourism to the area. The beauty of the coastline is

enhanced by the abundant and varied vegetation in association with the extensive beaches. The disruption of this narrow strip must be prevented at all costs as it plays an important role in the survival of many animal and plant species.
The coastline is facing increasing pressures through inappropriate and unco-ordinated development, over-use of natural resource, habitat and ecosystem degradation as a result of poverty and unemployment.The Ingquza Hill coastline falls under the area which has been identified for having great development potential. It is therefore of great importance to ensure that there are no significant negative impacts on these environments.

7.10.11.3 Estuaries and Rivers

Estuaries are highly sensitive systems whose salinity and mouth closure are easily influenced by water abstraction projects, dune mining, floodplain agricultural activities and unmanageable harvesting. Estuaries generally fulfill an important role in fish breeding, this creates a potential for recruitment to the marine environment and for this reason it is important that they are maintained as functional units within the environment. These areas have high conservation status, due to the diversity of habitats and functionality of the systems.

There are two major rivers in the Ingquza Hill Municipal area, namely:-

- Mzimvubu
- Mtamvuna

Both rivers are critical habitats for the survival of various species. For this reason these rivers, especially in the freshwater compartment need to be afforded high conservation status.

7.10.11.4 Green Belts

To optimise the environmental value of any resource it is important to ensure that there is connectivity between different areas and that 'islands effects' minimized. It is important that "environmental conduits" (corridors or connections) are maintained between the coastal forests, the river valleys and the conservancy areas This does not mean that agriculture or development should not be allowed, but rather that the structuring of development must take place to facilitate these environmental connection.

7.10.11.5 Marine Zone

The Marine environments of Ingquza Hill fall under the coastal region of the Wild Coast termed the Transkei Inshore Bioregion. This bioregion stretches from the Kei River (south of Eastern Cape) right up to Mtamvuna River. The Conservations Assessment Report of the Wild Coast states that the off-shore boundary needs to be biologically sensible as well as a sensible distance from shore needs to be opened to allow for patrolling and management. The east coast of South Africa is classified internationally as one of the top ten coral reef hotspots. The threats facing the hotspots are: land based sources of pollution, fishing and tourism development. A number of marine zones are protected areas and occur within this

regions but require greater enforcement and management streghthening, says the Conservation Assessment Report of the Wild Coast.

The Ingquza Hill Municipality has a good potential for the development of mariculture, however the impact of the effluent discharge would negatively affect this development. It is therefore required that potential impacts of the Ingquza Hill Municipality effluent be managed.Areas which fall within the "No But Areas" category but not within the No Physical Zone are areas where there can be low sensitivity, environmentally and culturally sensitive development. These areas have an important role to play in shaping the nature and intensity of land use in the district around the transport and road network. These areas tend to be the transition/interface between rural agriculture and the coastal belt and are expected to be zones of opportunity and areas of priority focus in investment by the government and the private sector, in order to achieve improved quality of life and sustainable environment.

7.10.12 Nodes

Nodes comprise of existing and proposed nodal points in the study area where mixed uses and high intensity transport, business and residential activities take place.Nodes are generally described as areas of mixed use development, usually having a high intensity of activities involving retail, traffic, office, industry and residential land uses. These are the places where most interaction takes place between people and organizations, enabling most efficient transactions and exchange of goods and services. Nodes are usually located at transport interchanges to provide maximum access and usually act as catalysts for new growth and development.

The following nodes have been identified within the study area.

CBD

- Flagstaff
- Lusikisiki

Coastal Node:-

- Mbotyi
- Msikaba

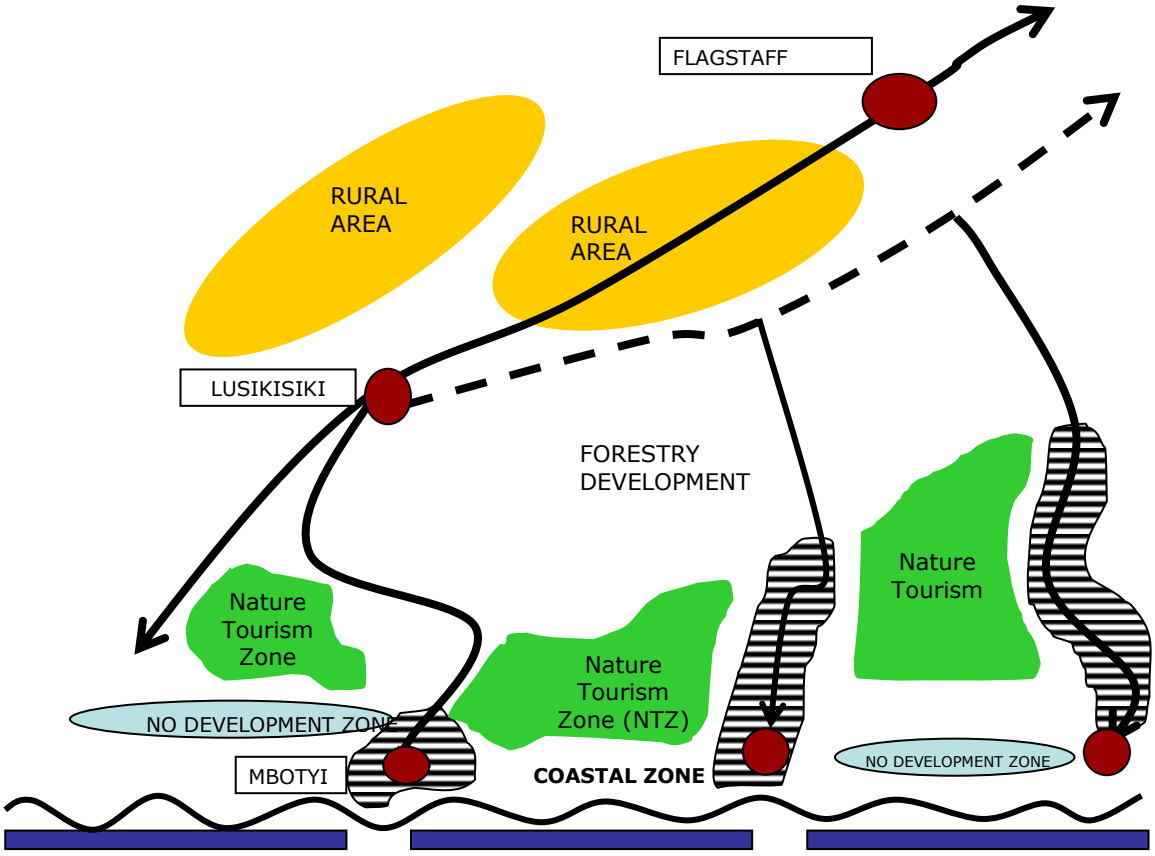
Rural Service Centre:-

- Nkozo
- Holy Cross
- Mthontsasa

Tourism Nodes:-

- Ngquza Hill
- Ingquza Hill Great Place
- The Whole Coastal Area
- Mkhambathi
- Magwa Falls

CONCEPT PLAN FOR SPATIAL DEVELOPMENT FRAMEWORK



The above nodes within the study area encompass both first and second order nodes.

- **First Order Nodes**

These are the most urban and developed areas such as Flagstaff and Lusikisiki. These nodes are suitable for large hotels and cluster developments.

- **Second Order Nodes**

These are less developed and urban in nature, being more focused on 'family holiday' tourism and recreation facilities, provided by both the development and the environment. Within these nodes, cottages, cluster complexes and family hotels may be developed.

Type	Locality	Existing/Potential
First Order	Flagstaff	Existing
	Lusikisiki	
Second Order	Mbotyi	Existing
	Msikaba	Existing

7.10.13 Corridors

- **Activity Streets** are defined as a local street that is located within the sphere of influence of an activity corridor and reinforces it to be classified as an activity street, vehicle and pedestrian access to a mix of land uses as a priority.
- **Mobility Routes** are defined as roads with limited access that principally carries traffic between major nodes

These include transport routes (mobility) linking various parts of the district, where mixed land uses, agriculture, tourism and industries are located.'Mobility routes'; are focused on transportation of people, goods and services between the nodes. In addition, there are also commercial activity routes where retail land use trends to consolidate along main transport/traffic routes in order to achieve greater exposure to the market.

The existing and proposed mobility routes within the study area are listed below:-

Type	Location
Existing Mobility Route	Trunk Road connecting Lusikisiki to Flagstaff District Road connecting Flagstaff to Holy Cross to Mthontsasa to Msikaba District Road from Lusikisiki to Ingquza Hill to Holy Cross to Mbizana District Road from Mbotyi to Lusikisiki
Proposed Mobility Routes	N2 Toll Road from Lusikisiki to Mbizana to KZN

7.10.14 Urban Edge

An urban edge is said to be a line where the transition from the urban area is proposed to change to peri-urban and rural development, involving differing land use characteristics and density development. As an effort to maintain low scale development on the periphery of the urban areas (Flagstaff and Lusikisiki) and to maintain sustainable development, as well as limited urban sprawl, an Urban Edge is proposed. This is to ensure that higher density-type residential uses are not permitted beyond the Urban Edge and only lower density developments are allowed.

The types of settlements will be categorized as follows:

Urban Type Settlement

- Urban settlement only
- Highest feasibility level of service (RDP or higher)
- Erf sizes of 300m² or less
- Freehold, rent to buy or leasehold

Rural Settlment/Low Density Peri-Urban

- Level of service is basic or RDP
- Erf sizes 500m² - 1000m²
- Individual or group ownership

Rural/Commercial Agriculture

- Commercial purposes or extensive or intensive agriculture
- Level of service is basic or RDP
- Erf sizes greater than 1000m²
- Individual or group ownership

Land Use Management Guidelines

This document contains land use management guidelines which are definitive policies to assist with future management of land use change and development initiatives in the Municipality.New legislation requires that municipal LUMS must be extended over the entire municipal area including rural areas that were previously excluded from schemes.

Planning policy as set out in the White Paper on Spatial Planning and Land Use Management (2001), the Municipal Systems Act (Act No. 32 of 2000) (MSA) and the National Land Use Bill intends that Land Use Management guidelines, required as part of an SDF, are implemented through the preparation of wall-to-wall Schemes for each Local or Metropolitan Municipality or District Management Area.

10.3 LED SECTOR PLAN

The Municipality of Ingquza Hill is on the north eastern end of the Eastern Cape. The area boasts of a coastline to the east, good agricultural potential inland and cultural diversity. Also of great importance is historical sites of importance; the case in point is Ingquza Hill mountain which the Municipality is named after. Currently, the Municipality is plagued by socio-economic challenges that are evident for from various socio-economic surveys that have conducted by either Statistics SA or independent research firms. Some of the statistical issues are raised in the analysis phase of the IDP.

The major challenges are to respond to the following:

- Halving poverty by 2014 as part of the Millennium Development Goals (MDGs)
- Creating an environment for both private and public sector to create and maintain quality jobs
- Create a conducive environment to for economy to develop
- Provision of adequate infrastructure to accommodate the potential that exist for economic development
- Providing adequate housing
- Land reform programmes that are impacting on the economic development trajectory
- Skills development is a major programme

LED Strategies

To contribute towards the reduction of unemployment focusing on women and youth	**MEDIUM TERM OBJECTIVE**
STRATEGIES	
	YEAR 1-5
Establishing and Maintaining a Skills Data Base of available and required Skills which will serve as the Information Access for those who seek employment and those who seek labour	

Data Base of EPWP Projects and other Labour Intensive Projects	
Learnership and Internship Programmes	
To invest in resources that drive economic development including human capital, social capital, household infrastructure and economic infrastructure	**SHORT-MEDIUM TERM OBJECTIVE**
STRATEGIES	
	YEAR 1-5
A Detailed Statistical Data of ……. (Gross Enrollment Ratios), The Levels of Functional Literacy.	
Support the Campaigns that will assist people to access HEALTH and other social services	
House Hold Infrastructure Delivery by the D.M. and ESKOM should informed by Local Priorities.	
The Municipality must have Economic Infrastructure Plan for Investment	
To reduce the number of households living below the poverty line focusing on deep rural areas, most vulnerable groups	**MEDIUM-LONG TERM OBJECTIVE**
STRATEGIES	
	YEAR 1-5
Ward Councillors and CDW's and Traditional Leaders to submit the number of beneficiaries that have no access to social grants to the proposed information centre	
Supporting communities to take advantage of opportunities emerging within their areas	
Improve coordination of poverty alleviation programmes within IH LM and across spheres of government including	

To transform/(diversify) the economy ensuring high growth rate and sustainable livelihoods	**MEDIUM-LONG TERM OBJECTIVE**
STRATEGIES	
	YEAR1 – 5
A broad Development Sector Plan focusing on Tourism, Agriculture, Forestry and SMME.	
The Implementation of the LED Strategy	
Attract and retain investors focus on Priority projects	
To ensure integration of the informal economy and the main stream economy	**SHORT-MEDIUM TERM OBJECTIVE**
STRATEGIES	
	YEAR 5
Hawker Stalls Construction to incubate the hawkers with time frames , infrastructure support	
Market identification analysis	
Expedite the coordination of the business support agencies ie ECDC, SEDA, THINA SNAKO, IDT NYDA, UYF.	

Economic development is also in the context of the Provincial Growth and Development Programme the National Spatial Development Programme. The economic development also seeks align with district economic development strategy. Some flagship national programmes also form part of the economic development process; to this end we refer to the Spatial Development Initiative along the coastline of the wild coast and the Integrated Rural Sustainable Development Programme.

The LED programme is also linked to the Spatial Development Framework that has been adopted by the Municipality. The SDF helps to take forward the concept of space economy at a local level as informed by the NSDP. Also important is the building of partnership with

NGO's and other state owned entities and institutions of higher learning. This would also inform the capacity of the municipality to improve research capacity.
As part of the responsibilities of the Municipality to strengthen the local states approach to strengthen LED the following are critical.

- Process management
- Target group
- Local factors
- Policy focus and synergy
- Sustainability
- Governance

(Hexagon of LED: Meyer-Stamer; 2005)

The local economy is largely driven by different sectors; there is also a strong element of the informal economy which the state needs to play a supportive role. However, the following are broad sub-sectors of the economy:

- SMME
- Forestry
- Agriculture
- Tourism

SMME Development

The major issue is to respond and support both the formal and Informal economy; for a small municipality like Ingquza Hill there is a great dependency on informal Economic activities. The Municipality is in a drive to recognise that informality does not mean illegality. To this extent the municipality seeks to create infrastructure to support those in the informal economy. On the other hand, there is a need and a drive to support formal economic activities by providing bulk infrastructure like roads, water and sanitation.It is also part of the strategic programme to build relations with institutions like Institutions of Higher Learning; NGO; State Owned Entities and others to support both formal and informal economy.

Forestry

The available study from the Department of Water Affairs and Forestry suggests that there is high potential for forestry development. To this end the Municipality is in a process of formalising partnership with Asgisa (Pty) LTD to assist the process of aforestation for commercial purpose. However, central to the aforestation programme is the community beneficiation and ownership.
The Municipality acknowledges the importance of partnering with one of the established companies in the forestry industry. The partnership is envisaged to address two central questions; the skills development and transformation of the industry. Both of these issues

are in the heart of the forestry charter which shall form the backbone of any agreement with communities.

Agriculture

Though times this issue of agriculture development is romanticised; studies show that the area of Ingquza Hill has a subtropical climate with one of the best rainfalls in the country. This makes the area to be prima agricultural areas for various crops from vegetables, grain and fruits. A potential to be a net exporter of grain is also high for as long the necessary skill, infrastructure and funding support is availed. At the moment the Municipality is involved in financing what may be viewed as poverty intervention areas.

The municipality is also involved in a process of establishing cooperatives as a best model of ownership by communities. However, this does not preclude any working relationship with private capital in the agricultural sector. The intention is to have maximum use of irrigated land along the major rivers in the Municipality by 2014 and create jobs in the agriculture sector whilst also providing food security.

There is also a consideration of the bio fuels as a concept that is likely to generate money for the poor but a caution should be thrown n the air in that the bio fuels should not be competing with food production. Where such completion exists and threatens to compromise food security the municipality will decisively support food production.The Magwa tea estate is one flagship project that is currently under strain but has quite a huge potential and as such it needs a concerted support both from technical and financial stand point. On the north eastern end of the Municipality there is a high possibility of live stock production for meet. There is also a dairy that needs proper management and technical skill on the south of the municipality at Lambasi.

Tourism

Some of the best natural scenery and splendour is found in Ingquza Hill led by the ever mysterious and majestic wild coast. The area has two of the worlds five falls that run from earth to the sea. The coastal belt remains general undeveloped and rich in biodiversity. The proposed N2 is hoped to improve accessibility whilst not compromising environmental considerations. Mkhambathi Nature reserve, Mbotyi lodge and other nature reserves are just but a few to mention and as such they need to be supported and developed particularly in view of the pending 2010 World Cup and its legacy thereafter.

Amampodo also boast of a rich culture which has not been exposed adequately and times misunderstood. This culture which include dress code; passage rites; weddings; songs and others are the strength of cultural tourism that has not been well exploited. Equally, there is a rich artistic culture by crafters and other performing arts that needs to be nurtured and exposed. Lastly, heritage and historical tourism is led by the Ingquza Hill of 1960 leads the sector. The mascre is upto now underscored and the municipality is engaging the National Department of Arts and Culture to profile this important part of the liberation history.

Local municipality led implementation priority list				
Priority sector	Priority programs	Priority projects	Project description	Project implementation area
Agriculture	• Poverty alleviation programs, • Land restitution.	• Mtshayelo community project. • Nkunzimbini community project. • Khonjwayo community project. • Masakhane poultry project. • Mangquzu poultry project. • Masizame women's project. • Ikhwezi agricultural project.	• Vegetable production • Vegetable production • Vegetable production • Poultry production • Poultry production • Vegetable production • Vegetable production	Mthsayelo a/a Nkunzimbini locality Lambasi Kwa-khanyayo Sicwenza locality Mfinizweni a/a Ingquza Hill – bezana locality

Tourism	• Tourism awareness • Exhibitions • Arts festivals and • Tourism	• Tourism sector plan. • Tourism awareness. • Lto and cto's workshop. • Tourism marketing plan. • Exhibitons arts festival. • Cutwini and msikaba trails. • Mkhambati holiday resort development. • Environment management plan. • Hospitality industry • Umzimvubu cathment • Coastal conference centre • Mbotyi holiday resort • Ingquza hill commemoration	• Developme nt of the strategic tools	Coastal area
Forestry	Commercial	• Identification of indigenous trees • Unique medicinal plants • Forestry development •	Study on forestation Timber production	Ingquza hill area of jurisdiction.
Smme	Identification of businesses	• Led strategy • Smme dev.strategy • Urban renewal strategy • Khulani bakery • Vukani self-help project • Khulani sewing project • Co-operative development • Brick manufacturing • Mining (sand and quary) feasibility study • Nodal area	Support to enterprise development Developing entrepreneurial mind-framework	Both in flagstaff and lusikisiki units of ingquza hill lm.

Conclusion

The Ingquza Hill Local Municipality has a massive potential to sustainable LED programs because of its favourable climatic conditions, natural beauty and coastal locality. Therefore various government departments have really been supportive of the municipal programs and are keen to unlock the development challenges and investment bottlenecks facing the area.

10.4 Tourism Sector Plan

1.1 Introduction

Tourism sector plan is developed to take into account the importance of the tourism factor in the realization of improving the economic growth of the area. The tourism sector plan is a statutory requirement for the successful completion of the Integrated Development Plan. Therefore the local government is the main driver of tourism program through identification of programs; processes and resources for the sustainable tourism management.

The municipality in terms of the IDP process is required to arrive at issues pertaining to municipal budgets; land use management; promotion of LED and institutional transformation in a consultative; systematic and strategic manner. It is expected that the tourism sector plan should amongst other activities identify the areas of natural beauty within the municipal locality; identify areas that impacts on the economic growth; uplift the standard of leaving through employment opportunities and enhancement of skills base from the rural communities.

1.2 Purpose of the Tourism Sector

The study must further identify:

- The demand and supply for tourism in Ingquza Hill Local Municipality in line with broader regional and intra-regional goals and objectives;
- Assess the impact of indigenous knowledge and products (Traditional means);
- Provide for sustainable planning planning; budget and allocation of resources;
- Provision of action plans with the involvement of all relevant role players;
- Raise profile of tourism and tourism strategy within the community;
- Promotion of tourism attractiveness and identification of tourism nodal areas;
- Promotion of biodiversity for the coastal area as well as promoting cultural heritage of the Pondo people; and
- Maximum use of existing natural resources including scarce resources;

The tourism development has a great potential and according to South Africa (2008: online) the Eastern Cape Province accounts for 76% of intra-provincial travelers; second from KZN followed by Gauteng. This therefore highlights the potential of this sector to the provincial economic growth and directly to redress the underdevelopment of the Ingquza Hill Local Municipality.

1.3Key fundamentals

The key elements identified so that they can be entailed in the proposed sector:

Economic responsibility – employment; product development; linkages and partnerships.

Social responsibility – co-operative structures; promote local tourism culture; support local development and education; exploit cultural uniqueness;

Environment – promote aqua culture; compliance with NEMA and EMA; promotion of local resources;

Physical responsibility – control the land uses; alignment of land development objectives to existing infrastructure; integrate tourism to existing LED programs and identification of the nodal areas for the beneficiation in the sustainable tourism initiatives.

Therefore tourism must be considered to be community driven; interrelated to infrastructural development; product development and main economic driver in poor rural communities. The bottlenecks in terms of demand and supply sides must be addressed holistical by different stakeholders and identification of possible interventions and projects.

1.4 Role players

- Traditional leadership;
- Councillors;
- Community members;
- Tourism Practitioners;
- Government Depts; and
- Investors.

1.5 Potential products

- Cultural interest;
- Historical interests;
- Arts and Crafts;
- Fishing and hunting;
- Eco-tourism;
- Agricultural tourism;
- Entertainment and recreation; and
- Adventure.

Identification of projects

1.6 Challenges

- Unplanned tourism activities;
- Uncontrolled use of land;

- Poor infrastructural development;
- Low skills base;
- Poor accessibility; and
- Co-ordination and integration of plans

Tourist attraction within Ingquza Jill

Magwa Plantations; Magwa Falls; diving; Biodiversity; culture; Msikaba Trail; Mkhambathi; Mbotyi and natural heritage (topography and good coastal areas)

Proposed Projects for Funding

Project	Project Location	Deliverables	Performance Standard	Source of Funding and Budget	Time Frame
Market Research	All wards	Collection of data	5m	EU	6-12 months
Tourism Awareness Campaign	All wards	Tourism awareness	100 000.00	EU/ECTB/TEP	3 weeks
Local tourism Organization	All Wards	To establish a tourism marketing tool	100 000.00	EU/ RTO	6-12 Months
Municipal Holiday Camp	Ward 22/23	Generation of Revenue	10m	DBSA/DM/	
Ablution facilities and Braai Areas along beaches	Ward 22-27	Environmental preservation	300 000	MIG	
Greening campaign	All Wards	To encourage the Plantation of indigenous trees	R 20 Million	SANBI	Currently running
Arts & Craft Training	Ward 27				
Ingquza Hill Heritage	Ward 27				
Institutional Arrangement	All wards	Provision of staff members	Tourism information officer, Marketing officer, Exhibition officer		

1.7 Conclusion

Tourism development is critical to poor communities due to positive economic spin off's of this initiative. The involvement of various stakeholders is critical for realization of the integrated approach to tourism development as well as ensuring triple bottom syndrome.
Furthermore the Ingquza Hill Local Municipality is located along the wild coast and the wild coast is national prioritized. The integration of tourism sector with broader coastal priorities such as the proposed Coastal National Road and therefore this will lead to connectedness of interconnected backward economies.

10.5 INFRASTRUCTURAL SERVICES

1. INTERGRATED WASTE MANAGEMENT PLAN

The municipality has to develop its own Integrated Waste Management Plan which should be in line with that one developed by OR Tambo District Municipality. The plan should note that the level of waste management in Ingquza Hill Local Municipality does not meet the national standards. The key issues to include the lack of institutional capacity, absence of recycling programs and poor disposal practices. The locality and capacity of existing dump sites.
The IWMP should provide a framework for the development of an adequate service with guidance on all aspects of the service. The key areas of focus should be the development of institutional capacity comprising policy, budget, management, human resources and facilities. Recycling and disposal practices are the other focus areas.
The plan should recommend projects which the municipality has to undertake in order to be able to implement the IWMP, amongst which are the following:

- There must be a development of a dedicated Waste Management Office and Depot
- The municipality must develop a new buy back centre for recycling
- The municipality must undertake landfill rehabilitation and outsource operations at the landfill site
- Old landfill sites must be rehabilitated to comply with DWAF regulations.
- Identify site for development of a new landfill site (currently underway).

2. Water Sector Plan (WSP)

Under the Municipal Structures Act No 117 of 1998, the function of Water Service Authority (WSA) and Water Service Provider was given to OR Tambo District Municipality, therefore OR Tambo District Municipality is responsible for developing the Water Sector Plan for Ingquza Hill Local Municpality. Currently, there is no stand- alone plan but overall plan of the seven local municipalities in the OR Tambo District Municipality.

3. Integrated Transport Plan (ITP)

In terms of Local Government Municipal Structures Act 117 of 1998, OR Tambo District Municipality is responsible for the municipal public transport within its area of jurisdiction which is the shared function with local municipalities in terms of services and infrastructure provision.

The purpose of this ITP is:

- To develop a vision for transport in the municipality
- To identify key concerns and issues which currently exist within various transport priority areas
- To identify a policy framework with objectives and strategies to achieve municipal transport vision
- To develop a priority transport project list with budget and milestones

4. Road Maintenance Plan

Road Management

The Road Management requires Council (as a Road Authority) to inspect, Repair and Maintain Public Roads. for which it is the Road Authority.

This applies to any part of a public road which is:

- A roadway,
- A pathway,
- A road shoulder, or
- Road infrastructure,

For which Council is the Road authority.

Council, as the Road Authority, may determine the standard to which it will construct, inspect, maintain and repair its road infrastructure. In relation to inspections, it may determine the inspection intervals.

In relation to matters which are to be regarded as defects, reported or found on inspection. Council may determine the:

- Intervention action required for defects
- The period of time within which intervention action is to be taken
- The priority to be given to the intervention action

Intervention action includes any action to conduct repairs, erect warning signs or reduce or remove risk.

Having regard to relevant factors and constraints, the adopted standards must be achievable and be reasonable.

ROUTINE ROAD MAINTENANCE PLAN

The Routine Road Maintenance Plan establishes key routine road maintenance practices for Council managed roads including:

- Inspections
- Defect target level of service
- Maintenance target levels of service.

INSPECTIONS

Councils have developed a systematic inspection process, including unscheduled inspections in response to the community's advice. The inspections will identify defects and key maintenance items. Defects requiring attention will be treated in accordance with the defect table time frames, following a risk assessment.The maintenance items identified will be assessed, prioritized and added to maintenance works programs, to ensure that the highest risk maintenance items are attended to in order of priority, taking into account road hierarchy and traffic volume.Council's field staff or service provider report any risk or maintenance issues they may observe as they move around the municipality in the course of their work. Councils will respond to urgent work generally within a reasonable time of a report.

Defect & Routine Maintenance Target Levels of Service: The service levels have been developed taking into account current work and inspection regimes in conjunction with the outcomes identified through Councils Best Value review of the Road maintenance Service.

Maintenance Programs

Council through its proactive maintenance system will endeavourer to ensure that the target levels of service are achieved, within the constraints of available resources.

Emergency works

Emergency works are works required to be undertaken immediately, outside routine maintenance and works programs, to ensure the safety of road users and the public as a result of emergency incidents. Emergency works include traffic incident management, responses to fires, floods, storms and spillages.

Storms & flooding

In the case of a storm or flooding event Council will respond to, and priorities identified hazards in accordance to their severity and the availability of council resources.

Road Management Plan (Need to be developed)

Council's Road Management Plan (RMP) is the overarching public document that is council's "service agreement" with the community for its public road network.

The Road Management Plan integrates th**e Routine** Road Maintenance Plan, along with the register of Public Roads and the Local Road Hierarchy into a suite of cohesive and effective documents enabling practical and progressive management of the road network.

Register of public road

The Ingquza Hill Local Municipality has a register of public roads that records the details of all local roads for which it is responsible and also includes reference to each roads classification within council's adopted Local Roads Hierarchy.

INSPECTIONS

- **ROAD NETWORK**
- **BRIDGES**
- **FOOTPATHS**

INSPECTIONS - ROADS

ACTIVITY	LEVEL OF SERVICE	INSPECTION REGIMES	INSPECTION SCHEDULES

INSPECTIONS **The** undertaking by suitably qualified and experienced staff / service provider regular inspections of the road asset to determine condition, compliance with maintenance standards and risk.	Programmed, and systematic inspection re**gime** for the road network	**a)** Condition assessments inspections are undertaken to determine the condition of an assets, its relative life and where relevant, any asset renewal requirements. **b)** Condition & risk inspections are undertaken to identify defects against standards set out in this plan. Defects are rectified in accordance with the defect table		
			collector	a) 3 years b) 4 months c) as per maintenance program d) as appropriate
			Access urban	**a)** 3 year b) 24 months c) as per maintenance program **d)** as appropriate

		in this document. Significant maintenance issues are also identified as part of this inspection process. **c)** Routine maintenance inspections are undertaken in conjunction with routine maintenance patrols to determine compliance with maintenance target intervention standards set out in this routine road maintenance plan. Maintenance works are programmed in accordance with the maintenance table in this document. **d)** Responsive inspections are undertaken in response to customer report. Officer repots or maintenance staff reports. Identified defect works are rectified in accordance with the defect table. Identified maintenance works are programmed in accordance with	Access rural	a) 3 years b) 12 months c) as per maintenance program **d)** as appropriate

INSPECTIONS – BRIDGES

ACTIVITITY	LEVEL OF SERVICE	INSPECTION REGI**MES**	INSPECTION SCH**DULE**	
INSPECTIONS The **undertaking of regula**r of bri**dge assets, by** suitably qualified and experienced staff, to determine condition, compliance with maintenance standards and risk.	Programmed and systematic inspection regime for the bridges.	a) Condition assessments inspections are undertaken to determine the condition of an asset, its relative life and where relevant, any asset renewal requirements. b) Conditions & risk inspections are undertaken to identify defects against standards set out in this plan. Defects are rectified in accordance with the defect table in this document. Significant maintenance issues are also identified		
			collector	**a)** 3 years **b)** 12 months **c)** as per r Program **d)** as appropr
			access	a) 3 years b) 24 months c) as per ma program **d)** as appropr

		as part of this process. c) Routine maintenance inspections are undertaken in conjunction with routine maintenance patrols to determine compliance with maintenance target intervention standards set out in this routine road maintenance plan. Maintenance works are programmed in accordance with the maintenance table in this document. d) Responsive inspections are undertaken in response to customer reports, officer reports or maintenance staff report. Identified defect works a accordance with rectified accordance with the defect table. Identified maintenance woks are programmed in accordance with the maintenance table in this document.		

11.1 FOOTPATHS - INSPECTIONS

ACTIVITY	LEVEL OF SERVICE	INSPECTION REGIMES	INSPECTION SCHEDULE

INSPECTIONS The undertaking by suitably qualified and experienced staff regular inspections of the asset to determine condition, compliance with maintenance standards and risk.	Programmed, and systematic inspection regime for the footpaths	a) condition assessments inspections are undertaken to determine the conditions of an asset, relevant, any its relative life and where relevant, any asset renewal requirements. b) Condition & risk inspections are undertaken to identify defects against standards set	CBD & high activity areas.	a) 4 years b) 12 months c) as appropriate
			Collector areas	a) 4 years b) 24 months c) as appropriate

		out in this plan. Defects are rectified in accordance with defect table in this document. Significant maintenance issues are also identified as part of this inspection process. c) Responsive inspections are undertaken in response to customer reports, officer reports or maintenance staff repots. Identified defect works are rectified accordance with the defect table. Identified maintenance works are programmed in accordance with the maintenance table in this document.		

TARGET LEVELS OF SERVICE

Road network, Bridges, Footpaths

DEFECT TABLE

"Target levels of service" for link, collector and access

SEALED ROADS – DEFECTS

ACTIVITY/ DEFECT	LEVEL OF SERVICE	RISK ASSESSMENT INTERVENTION LEVELS	TIMELINESS OF REPAIRS

POTHOLES Those are defined as small breaks and depressions i**n** the sealed surface where loss of pavement wearing surface has occurred.	Reasonably smooth sealed driving surface with no dangerous deformations.	When pothole > 75mm in depth and > 300mm in width or rapid deterioration is likely	Safety sign	2 days
			Link	2 days
			Collector	4 days
			Access	2 weeks
Surface defects Define as rough surface caused by rutting depressions or failed areas of pavement.	Reasonably smooth sealed driving surface with no dangerous deformation. Sealed surface shall provide reasonable friction level for vehicles.	Rectify when the failed area reaches the following intervention levels a) rutting & depressions > 5m2 b) broken out pavement > 5m2 c) loose stones(>10 mm stone)>10m 2 at intersection s.	Safety signs	a) 2 days b) 2 days
			Link	a) 2 days b) 2 weeks c) 5 days (sweep)
			Collector	a) 3 weeks b) 3 weeks c) 5 days (sweep)
			Access	a) 6 weeks b) 6 weeks c) 5 days (sweep) d)

SEALED ROADS – DEFECTS

ACTIVITY / DEFECT	**LEVEL OF SERVICE**	**RISK ASSESSMENT INTERVENTION LEVELS**	**TIMELINES OF REPAIRS**

WATER OVER ROAD Defined as areas where isolated localized flooding makes roads impassable or may obscure hazards. Provide warning signs Localized flooding where roads is still trafficable. Localized flooding where road is not trafficable. <u>Note</u> Does not include water over road from storm/flood events, (which results in "water over road" for 2 hours or less).	Provision of warning to road users of hazard or potential hazards.	a) Localized flooding where roads is still trafficable. b) Localized flooding where road is not trafficable.	Link Collector Access	a) Warning signs within 24 hours b) Closed road within 24 hours

Edge Breaks These are defined as fretting along the seal edge resulting reduced seal width. Usually associated with eroded or weak shoulders in the vicinity of the bitumen edge. Repair "drop off"	Consistent nominal sealed width with no dangerous deformations.	When edge break exceeds 150mm laterally for a 20m length.	Link	1 weak
			Collector	2 weeks
			Access	8 weeks (u) 4 weeks (R)

U = URBAN R = RURAL

Shoulder ` drop – off" These are defined as the result of erosion of the unsealed road shoulder adjacent to the seal edge resulting a "drop- off" at the seal edge. Repair "drop – off"	Relatively consistent surface level between seal and the edge of the adjacent road shoulder.	When the drop off from pavement exceeds 100m(vert.) for a 20m length	Safety sign	Next day
			Link	2 weeks
			Collector	3 weeks
			Access	4 weeks

Regulatory signs. Covers the replacement of damaged or missing regulatory signs Replace sign.	Regulatory signs to be visible and legible	a) Missing or illegible regulatory signs.	Link	b) 5 days
			Collector	c) 5 days
			Access	d) 10 days

GRAVEL ROADS - DEFECTS

ACTIVITY/ DEFECT	**LEVEL OF SERVICE**	**RISK ASSESSMENT INTERVENTION LEVELS**	TIMELINESS OF REPAIRS	
GRANTING			safety sign	5 days

& PATROL WORKS The regular maintenance grading and reshaping of gravel surfaced roads in accordance with appropriate intervention standards to remove corrugations, rutting and potholes and provide for proper drainage of the unsealed surface. Maintenance grading. Patrol maintenance.	Provide a smooth riding surface with good drainage.	Road surface scoured, potholed, rutted, corrugated to a depth of 100mm in excess of 20m length.	Link Collector Access	Add to program, in addition to safety signing.
Regulatory signs Covers the replacement of damaged or missing regulatory signs. Replace signs.	Regulatory signs to be visible and legible.	Missing regulatory signs or signs that are illegible.	Link Collector	5 days
			Access Limited access	10 days

Water over road Defined as areas where isolated localized flooding makes roads impassable or may obscure hazards. Provide warning signs Localized flooding where road is still trafficable <u>Note.</u> Does not include water over road from storm/ flood events. Refer notes emergency works.	Provision of warming to road users of hazard or potential hazards.	a) Localized flooding where road is still trafficable. b) Localized flooding where roads is not trafficable.	Link Collector Access	a) Warning sign within 24 hours b) Close road c) within 24 hours
			Safety sign	a) next day b) next day c) next day
			Link Collector Access	a) next day b) 5 days c) 5 days

Foot paths Covers the repair or replacement of sections of footpath that may be a trip hazard. Does not include cycle paths and shared footways.	**Provision of a** reasonably smooth foot path network with minimal trip hazards.	Vertical displacement a) 15mm – 25 mm b) > 25mm c) holes > 100mm diameter and 50mm in depth	Safety marking	Next day
			CBD & High activity area footpaths.	a) Grind or ramp with premix within 20 days or temporary ramp and add to replacement program. b) Grind or ramp with premix within 10 days and add to replacement program. c) Treat within 2 days.
			Collector area	a) Grind or ramp with premix within 20 days or temporary ramp and add to replacement program. b) Grind or ramp with premix within 15 days and add to replacement program. c) Treat within 2 days.

			Other	a) Add to prioritized program. b) Grind or ramp with premix within 20 days and add to replacement program. c) Treat within 2 days
			Safety marking	Next day
			CBD & high activity area footpaths (eg.arterials, outside hospital, aged persons units etc).	a) Cracfill within 20 days b) Crack fill within 10 days and add to replacement program.
			Collector area	a) Crack fill within 20 days b) Crack fill within 10 days and add to replacement program.
		Horizontal displacement (wide cracks) a) 10 – 25 mm b) > 25 mm	Other	a) crack fill within 1 month b) crack fill within 1 month and add to replacement program

11. 2

MAINTENANCE ISSUES

"TARGET LEVEL OF SERVICE" FOR LINK, COLLECTOR AND ACCESS ROADS
SEALED ROADS – MAINTENANCE

ACTIVITY / MAINTENANCE	LEVEL OF SERVICE
Potholes These are defined as small breaks and depression in the sealed surface where loss of prevention wearing surface has occurred. Repair pothole.	Reasonable smooth sealed driving surface with no dangerous deformations.
Edge breaks These are defined as fretting along the unsealed road shoulder adjacent to the seal edge resulting "drop – off" at the seal edge. Repair drop off	Consistent nominal sealed width with no dangerous deformations.
Shoulder "drop – off" These are defined as the result of a erosion of unsealed road shoulder adjacent to the seal edge resulting a "drop – off" at the seal edge. Repair drop off	Relatively consistent surface level between seal and the edge of the adjacent road shoulder.
Shoulder maintenance Define as regular maintenance of unsealed shoulders in accordance with the appropriate intervention levels, including 1. reworking existing materials to maintain shape and cross fall. 2. spot gravelling to large " bare patches" grade shoulders repair potholes	Relatively consistent cross – fall and shape of the road shoulder.
Major patching Defined as failed areas of pavement and seal up to 100 square meters requiring excavation of pavement by plant and reinstatement to original design standards. Reinstate seal Rectify "shoving" and reinstate seal. Rectify "surface shape" and reinstate seal.	Reasonably smooth sealed driving surface with no dangerous deformations.

8 SEALED ROADS – MAINTENANCE

ACTIVITY / MAINTENANCE	LEVEL OF SERVICE

Surface condition Defined as 1. rough surface caused by rutting, depressions, or failed areas of pavement. 2. smooth surface caused by bleeding, stripping. • Repair rutting & depressions • Rectify bleeding • Repair stripping and cracking. • Sweep loose stones • Repair broken out pavement	Reasonably smooth sealed driving surface with no dangerous deformations. Sealed surface shall provide reasonable friction level for vehicles.
Signs and delineation Covers the replacement of damaged or missing signs, guideposts, marker posts and delineators. Also covers the regular painting of all pavement markings, including line marking. • Replace guideposts. • Replace warning signs • Replace line marking	Delineation as necessary to enhance safety, shall be visible. Signs to be visible and legible. Line marking as necessary to enhance safety, shall be visible.
Roadside vegetation – trees The cyclic maintenance of trees and shrubs within the road reserves (outside of urban areas) to maintain vehicle clearance limits of 4.9m vertically and sight distances at intersections and curves. • Prune trees.	Provide safe clearance for large vehicle. Provide sufficient unobstructed view to ensure vision and safe entry to intersections. Provide unobstructed view of regulatory and cautionary signs.
Street drainage (urban) Covers the cleaning of kerb and channel and side entry pits. Also covers the inspection and cleaning of storm water drains, pits and miscellaneous storm water drainage infrastructure. • Unblock kerbs, drains, culverts and pits • Repair drainage system. • Inspect storm water pits • Repair kerb & channel	Roads shall provide a safe running surface. Minimize damage residential properties from overland flows as a result of blocked or surcharging drainage structures. Aim to keep kerbs, drains, culverts and pits to be kept at 75 % operating capacity.
Resealing	

The rejuvenation of a sealed surface by the application of a fresh application of bitumen and aggregate or asphalt overlay • Reseal	Road surface will provide a safe running surface, Road surface to be water proof to protect road substructure.

GRAVEL ROADS – MAINTENANCE

ACTIVITY / MAINTENANCE	LEVEL OF SERVICE
Grading & patrol works The regular maintenance grading and reshaping of gravel surfaced roads in accordance with appropriate intervention standards to remove corrugations, rutting and potholes and provide for proper drainage of the unsealed surface. • Maintenance grading. • Patrol maintenance.	Provide a smooth riding surface with good drainage.
Signs and delineation Covers the replacement of damaged or missing signs, guideposts, marker posts and delineators. Also covers the regular painting of all pavement markings, including line marking • Replace guideposts • Replace warning signs	Delineation as necessary to enhance safety shall be visible. Signs to be visible and legible.
Roadside vegetation – trees The cycle maintenance of trees and shrubs within the road reserves (outside of urban areas) to maintain vehicles clearance limits of 4.9m vertically and sight distances at intersections and curves. • Prune trees	Provide safe clearance for large vehicles. Provide sufficient unobstructed view to ensure vision and safe entry to intersections. Provide unobstructed view of regulatory and cautionary signs.
Resheeting, spot gravelling and patching (Rural) The application of gravel or crushed rock to the wearing surface to strengthen and reshape the surface. • Restore gravel	Restore loss of pavement/ running surface to a smooth and safe condition.
Slippery Surface The application of gravel or crushed rock to the wearing surface to improve skid resistance of road surface. • Apply gravel	Restore loss of pavement/ running surface to safe condition.

Drainage (Rural) Covers the cleaning and minor reshaping of surface drains and verge drains. Also covers the inspection and cleaning of cross road culverts. • Clean & shape drain • Clean culverts	Roads shall provide a safe running surface Side drains operating sufficiently to drain water from the road surface and to protect road sub grade.

9 BRIDGES – MAINTENANCE

ACTIVITY / MAINTENANCE	LEVEL OF SERVICE
Bridge maintenance • Bridge repairs • Significant structural damage- repair, close or load limit • Minor structural damage – repair.	Reasonably smooth driving surface. No material or bridge component causing danger or undue inconvenience for the bridge user

10 FOOTPATH – MAINTENANCE

ACTIVITY / MAINTENANCE	LEVEL OF SERVICE
Footpaths Covers the repairs or replacement of sections of footpath that may be a trip hazard. Does not include cycle paths and shared footways.	Footpath network shall provide a safe means of travel for pedestrians.

11.3 Roads and Stormwater Plan : 2007 - 2012

Ward No.	Project Name	Project Type	Financial Year	Length (km)	Source of fund	Budget (R) x 1000	EPWP Compliant
01	Mbudu AR	New	2007/08	6	MIG	3	Yes
02	Skhulu – Mzintlava Access Road	New	2007/08	5	MIG	1.6	Yes
03	Nozayi – Norhatshaza Access Road	New	2007/08	4	MIG	1.3	Yes
10	Tauka Access Road	New	2007/08	7.5	MIG	5.6	Yes
11	Qhamangweni – Bhodweni Access Road	New	2007/08	10	MIG	3.5	Yes
23	KwaDilinga to KwaLulwane	New	2007/08	6.5	MIG	1.6	Yes

	Access Road						
05	Meyisi Access Road	New	2007/08	5			Yes
		TOTAL	**2007/08**	**44**	**MIG**		**Yes**
04	Dikidikini Access Road	New	2008/09	10	MIG	5.6	Yes
06	Flagstaff By - Pass	New	2008/09	2.5	MIG		Yes
07	Ngqwabeni via Mqwangqweni Access Road	New	2008/09	5	MIG	2	Yes
08	Ngcungeni Access Road	New	2008/09		MIG	1.4	Yes
17	Mpoza - Mjikalale Access Road	New	2008/09	7.2	MIG	2.7	Yes
17	Bazana Access Road	New	2008/09	1.5	MIG	3.9	Yes
18	Mgojweni Access Road	New	2008/09		MIG	1.1	Yes
		TOTAL	2008/09	X	MIG	20.434	Yes

Roads and Stormwater Plan : 2007 – 2012: Continues

Ward No.	Project Name	Project Type	Financial Year	Length (km)	Source of fund	Budget (R) x 1000	EPWP Compliant
02	Mzaba – Tribal Authority AR	New	**2009/10**	9	MIG	3.3	Yes
09	Balasi Access Road	New	**2009/10**	6	MIG	2.3	Yes
12	Mbilikati – Xhurhana Access Road	New	**2009/10**	7	MIG	2 m	Yes
14	Gunyeni Access Road	New	**2009/10**	6	MIG	1.4	Yes
15	Zwelitsha – Kanana Access Road	New	**2009/10**	5.5	MIG	1.6	Yes
21	Msotyana – Kofini Access Road	New	**2009/10**	5	MIG	2.5	Yes

24	Luphondo – Trackor Access Road	New	**2009/10**	6	MIG	3.5	Yes
25	Ntshikiva – Msikaba Access Road	New	**2009/10**	7	MIG	2.9	Yes
27	Khabingele – Ntlalwana Access Road	New	**2009/10**	10	MIG	4 m	Yes
TOTAL			**2009/10**		**MIG**		

11.4 Summary of MIG projects

PROJECT NAME	FIN. YEAR	WARD NO	DESCRIPTION	FUNDER	BUDGET	LENGTH
Msotyana to Pangwa A/R	2008/2009	21	construction of new access road	MIG	R 2,380,069.65	
Ntshikiva to Msikaba	2008/2009	24	construction of new access road	MIG	R 2,777,919.17	
Mbilikati to Xurhana	2008/2009	12	construction of new access road	MIG	R 1,975,123.53	
Kabingele to Ntlalwana	2008/2009	27	construction of new access road	MIG	R 4,236,298.48	
Balasi	2008/2009	9	construction of new access road	MIG	R 2,173,598.98	
Zwelitsha to Kanana	2008/2009	15	construction of new access road	MIG	R 1,441,376.93	
Tribal Authority to Mzaba	2008/2009	22	construction of new access road	MIG	R 3,375,052.60	
Luphondo to Trackor	2008/2009	25	construction of new access road	MIG	R 4,382,785.38	
Ntshikiva	2009/2010	24	construction of new access road	MIG	R 2,777,919.17	
Luphondo	2009/2010	25	construction of new access road	MIG	R 4,382,785.38	
Balasi	2009/2010	9	construction of	MIG	R 2,173,598.98	

			new access road			
Mbilikati	2009/2010	12	construction of new access road	MIG	R 1,975,123.53	
Msotyana	2009/2010	21	construction of new access road	MIG	R 2,380,069.65	
Tribal	2009/2010	22	construction of new access road	MIG	R 3,375,052.60	
Gunyeni	2009/2010	14	construction of new access road	MIG	R 2,000,582.76	
Khabingele	2009/2010	27	construction of new access road	MIG	R 4,236,298.48	
Zwelitsha	2009/2010	15	construction of new access road	MIG	R 1,441,376.93	
Mpoza	2009/2010	17	construction of new access road	MIG	R 2,491,081.33	
Dikidikini	2009/2010	4	construction of new access road	MIG	R 5,446,489.51	
Diki Phase II	2009/2010	4	construction of new access road	MIG	R 2,365,569.24	
Sgubudwini	2010/2011	7	construction of new access road	MIG	R 3,208,223.29	
Bushula	2010/2011	13	construction of new access road	MIG	R 2,286,269.75	
Nozayi	2010/2011	3	construction of new access road	MIG	R 3,785,909.56	
Luphandlasi	2010/2011	5	construction of new access road	MIG	R 3,332,254.94	
Dimfi	2010/2011	23	construction of	MIG	R 2,791,640.87	

			new access road			
Makaula	2010/2011	26	construction of new access road	MIG	R 2,791,640.87	
Tshandatshe	2010/2011	16	construction of new access road	MIG	R 1,903,100.07	
Hombe Community Hall	2010/2011	20	construction of community hall	MIG	R 1,636,593.81	
Bisi Community Hall	2010/2011	7	construction of community hall	MIG	R 1,312,468.06	
Thobile Community Hall	2010/2011	9	construction of community hall	MIG	R 1,312,468.06	
Joe Slovo Community Hall	2010/2011	15	construction of community hall	MIG	R 2,312,982.44	
Ndungunyeni a/r	2011/2012	12	construction of new access road	MIG	R 2,854,658.27	
Mcamba a/r	2011/2012	2	construction of new access road	MIG	R 4,132,893.08	
Ntlembeni a/r	2011/2012	1	construction of new access road	MIG	R 3,548,892.96	
New Rest	2011/2012	19	construction of new access road	MIG	R 5,447,840.67	
Nobhadula a/r	2011/2012	18	construction of new access road	MIG	R 1,856,812.03	
Tabazi a/r	2011/2012	9	construction of	MIG	R 4,399,999.90	

			new access road			
Lukhahlambeni a/r	2011/2012	10	construction of new access road	MIG	R 5,470,000.00	
Zadungeni a/r	2011/2012	5	construction of new access road	MIG	R 2,545,620.00	
					R 30,256,716.91	

11.5 Electrification Plan : 2007 - 2012

Ward No.	Project Name	Project Type	Financial Year	Connections (No.)	Source of fund	Budget (R) x 1000	EPWP Compliant
03,12,13,15,16 &19	Lusikisiki phase 3a&b	Reticulation and house connections	2007/08	1200	DME	9.279	-
09	Sphaqeni Substation	Substation	2007/08	0	DME	14,680	-
15	Malizole	Reticulation and house connections	2007/08	498	DME	1.693	-
22	Mbotyi "A"	Reticulation and house connections	2007/08	303	DME	1.818	-
TOTAL			**2007/08**	**5791**	**DME**	**27.471**	**-**
03,12,13,15,16 &19	Lusikisiki phase 3a	Reticulation and house connections	2008/09	3900	DME	12.000	-
06	Flagstaff Housing Project	Reticulation and house connections	2008/09	546	DME	1.765	-
06	Nkululekweni	Reticulation and house connections	2008/09	507	DME	2.480	-
23	L:ambasi	Reticulation	2008/09	0	DME	2.000	-
							-
TOTAL			**2008/09**	**4953**	**DME**	**18.245**	**-**

Electrification Plan : 2007 – 2012: Continues

Ward No.	Project Name	Project Type	Financial Year	Connections (No.)	Source of fund	Budget (R) x 1000	EPWP Compliant
23	Lambasi	Reticulation and house connections	2009/10	2308	DME	14.869	-
17	Tshonya	Reticulation and house connections	2009/10	2231	DME	10.249	-
06	Flagstaff Phase 4	Reticulation and house connections	2009/10	881	DME	6.939	-

		TOTAL	**2009/10**	**5420**	**DME**	**32.057**	**-**
02	Mantlaneni	Reticulation and house connections	2010/11	1378	DME	7.402	-
01	Ntontela	Reticulation and house connections	2010/11	1039	DME	5.516	-
27	Ngquza	Reticulation and house connections	2010/11	2449	DME	13.330	-
		TOTAL	**2010/11**	**4866**	**DME**	**26.248**	**-**

Electrification Plan : 2007 – 2012: Continues

Ward No.	Project Name	Project Type	Financial Year	Connections (No.)	Source of fund	Budget (R) x 1000	EPWP Compliant
24	Khanyayo	Reticulation and house connections	2011/12	2400	DME	17.436	-
All	Flagstaff Extensions	Reticulation and house connections	2011/12	500	DME	4.000	-
		TOTAL	**2011/12**	**2900**	**DME**	**21.436**	**-**

12 O.R TAMBO DM PROJECTS

Introduction

In terms of DWAF reference framework 2004, the statistics for Ingquza Hill Local Municipality is as follows:

INGQUZA HILL LOCAL MUNICIPALITY				
	Water Backlogs			
Population	RDP Standards		Higher Level	
	Served	Not served	Served	Not served
259,982	74% 192 387	26% 67 595	16% 41 597	84% 218 384
	Sanitation Backlogs			
Population	RDP Standards		Higher Level	

	Served	Not served	Served	Not served
259,982	25% 64 996	75% 194 986	11% 28 598	89% 231 3

The objective of the District Municipality is to upgrade all 11 towns into a waterborne system (higher level) including Lusikisiki and flagstaff towns in Ingquza Hill Local Municipality. The District Municipality is moving away from the stand alone water supply Scheme into Regional water schemes. There will be some kind of transition required during this stage.

The District Municipality is in a position to appoint a service provider to review the Water Services Development Plan (WSDP) while the Water Master Plan for Ingquza Hill Local Municipality has been completed and it has been submitted to DWAF as a regulator for their comments. The implementation of the plan will cost approximately R1.5 billion. The Implementation Plan will be covered during the review of WSDP. The Business Plan for Flagstaff to Upgrade the Sewer system in Flagstaff was approved by MIG for an amount of R16 m and the service provider has been appointed.

The Business Plan for Lusikisi town has been recommended for funding by DWAF, DM is waiting for approval of funding from MIG. In the mean time DM is preparing the terms of reference for the appointment of the service provider.

SANITATION

The following sanitation projects are currently on progress:

Ingquza Hill Local Municipality	
Ward	No of households
Ward 25 Sanitation	500
Ward 8 Sanitation	300
Ward 12 Sanitation	1320
Ward 10 Sanitation	1920
Ward 5 Sanitation	1930
Ward 9 Sanitation	1218

A total of approximately 35 892 population were to be covered.

The following sanitation projects implemented during 2009/2010 financial year

Ingquza Hill Local Municipality	
Ward	No of households
ward 1	1 796
Ward 2	1 453
Ward 10	2 557

A total of approximately 34 800 population will be covered.

Business plans for the following areas will be submitted for funding 2012/2013 to 2013/2014

Ingquza Hill Local Municipality		
Ward	Village	No of households
Ward 21 & Ward 24		2436
Ward 23		5 266
Ward 15 & 16		2 460
WARD 13, 17 & 18		3352

A total of approximately 81 084 population will be covered. Therefore a total of 151 776 population will be serve with RDP standard by 2012 while a total of approximately 43 210 population is estimated to be served between 2012 and 2014

WATER

The following water projects are currently on progress:

Ingquza Hill Local Municipality	
Village /Ward	No of households
ORT: Ingquza Hill - Flagstaff Water Supply (Wards 11,5,17 and Part of 6	
Ingquza Hill: Nkonzo & Mhlumba - Water Supply	
O R Tambo DM: Ingquza Hill LM: Flagstaff Regional Water Supply Ward (6,8 &9)	2 557
Mfinizweni Water Supply	1195
Lusikisiki Reticulation	2 666

The final eradication of water backlogs will be determined during the development of the review of the 2009/2010 WSDP which will be based on the recently completed Water Master Plan for the Ingquza Hill Local Municipality. The Bulk water supply requires an estimated R1.5 billion which includes the construction of Mzintlavana Dam and the regional water purification plan and bulk water supply lines.

11.7 Department of Health

Project name	**Ward / village**	**Funder**	**Fin. Year**
Mbotyi Clinic	Mbotyi	Provincial government	2008/2009
Palmerton Clinic	Palmerton	Provincial government	2009/2010
Flagstaff Clinic	Flagstaff	Provincial government	2009/2010
Mkhamela Clinic	Mkamela	Provincial government	2010/2011

11.8 Integrated Waste Management Plan

The municipality has to develop its own Integrated Waste Management Plan which should be in line with that one developed by OR Tambo District Municipality. The plan should note that the level of waste management in Ingquza Hill Local Municipality does not meet the national standards. The key issues to include the lack of institutional capacity, absence of recycling programs and poor disposal practices. The locality and capacity of existing dump sites.

The IWMP should provide a framework for the development of an adequate service with guidance on all aspects of the service. The key areas of focus should be the development of institutional capacity comprising policy, budget, management, human resources and facilities. Recycling and disposal practices are the other focus areas.

The plan should recommend projects which the municipality has to undertake in order to be able to implement the IWMP, amongst which are the following:

- There must be a development of a dedicated Waste Management Office and Depot
- The municipality must develop a new buy back centre for recycling
- The municipality must undertake landfill rehabilitation and outsource operations at the landfill site
- Old landfill sites must be rehabilitated to comply with DWAF regulations.
- Identify site for development of a new landfill site (currently underway).

11.9 Water Sector Plan (WSP)

Under the Municipal Structures Act No 117 of 1998, the function of Water Service Authority (WSA) and Water Service Provider was given to OR Tambo District Municipality, therefore OR Tambo District Municipality is responsible for developing the Water Sector Plan for Ingquza Hill Local Municpality. Currently, there is no stand- alone plan but overall plan of the seven local municipalities in the OR Tambo District Municipality.

11.10 Integrated Transport Plan (ITP)

In terms of Local Government Municipal Structures Act 117 of 1998, OR Tambo District Municipality is responsible for the municipal public transport within its area of jurisdiction which is the shared function with local municipalities in terms of services and infrastructure provision.

The purpose of this ITP is:

- To develop a vision for transport in the municipality
- To identify key concerns and issues which currently exist within various transport priority areas

- To identify a policy framework with objectives and strategies to achieve municipal transport vision
- To develop a priority transport project list with budget and milestones

11.11 CORPORATE SERVICES

Information & Communication Technology Plan

The growth of the Internet and E-mail as a primary communications channel is increasing every year. The Internet and e-mail provides access to information and services that would previously been very difficult to obtain. In addition, the focus on e government encourages the use of the Internet as a means to improve the accessibility of government services to all citizens..

Furthermore, in a similar way that the telephone improved communications, but was also subject to wide spread abuse by employees, so too can the Internet and e-mail be subjected to abuse, the cost of which must be borne by the municipality in terms of cost and loss of productivity. The intention of an ICT plan is to provide guidelines for the use of the electronic media and where abuse occurs, sets out the punitive measures that can be taken against an employee. The ICT plan also controls the content that can be accessed over the Internet and prohibits the transmission of harassing and sexually explicit material. The ICT plan also specifies the security measures and safeguards that should be applied by the IT section and the employees alike.

11 OBJECTIVES

The objectives are to:

- Indicate INGQUZA HILL LOCAL Municipality's requirements and standards regarding the implementation, usage, management and administration of Internet access.
- Demarcate the roles and responsibilities of participating organisational Units.
- Promote awareness among INGQUZA HILL LOCAL Municipality Internet users regarding the procedures, costs and risks involved in accessing the Internet.
- State INGQUZA HILL LOCAL Municipality's position in the event of non-compliance with the Internet policy by any INGQUZA HILL LOCAL Municipality Internet user.

Define guidelines, standards and procedures for INGQUZA HILL LOCAL Municipality divisions providing information or services on the Internet.

EMPLOYMENT EQUITY PLAN

Employment equity concerns itself with the eradication of unfair discrimination in the workplace. It ensures that employers take positive measures to transform the organization and remove barriers to equity for previously disadvantaged groups. The rationale for the

implementation of employment equity legislation centers around eradication the legacy of discrimination in relation to race, gender and disability that has denied the majority of South Africans the opportunity for education, employment, promotion and wealth creation. In addition to the above, employment equity legislation was enacted to encourage economic growth and satisfy the requirements of the Constitution and the Internal Labor Organization. The White Paper on Affirmative Action, 1998 together with the Employment Equity Act of 1998 is a testimony of the Government's commitment to the transformation of the Public Service into the Institution whose employment practices are underpinned by equity. The Public Service which is representative and draws on the talents and skills of the diverse spectrum of South African Society, will not only be geared towards providing better services for all Sectors of our society but will also enjoy legitimacy in the eyes of South African people. The Ingquza Hill Municipality strongly believes that the employment of a labour force that is diverse in race, culture and gender and which broadly reflects the demographics of the municipality can facilitate the effective and efficient implementation of the municipality s current and future service delivery mandates. This, notwithstanding, it is apparent that the municipality has inequalities and discriminatory practices with respect to recruitment and selection, skills and competency training and development, which need to be completely eliminated.

TARGETS

Race (to be achieved by 2013)

Race	African		Coloured		Indian	White
	Female	Male	Female	Male	Female	Male
Municipal targets	49%	49%	1%	1%		

Women in management (to be achieved by 2013)

Women at Senior Manager Level 2010 (National Target 50%)
50%

Non-disclosure of disability status is a contributor to the under representation, and concerted efforts will have to be made by the municipality to facilitate disclosure, and target disabled persons for employment.

12 Performance Management System

KPA: Infrastructure Development and Service Delivery											
Objective	KPI	Baseline Indicator	Target	Quarterly Target				Input indicator	Output Indicators	Outcome Indicator	Priority Issue
				Q1	Q2	Q3	Q4				
To ensure that beneficiaries are given security of tenure	Number of title deeds that have been issued to beneficiaries	No beneficiary has security of tenure currently	503 title deeds for Mbeki settlement and 1111 title deeds for Joe Slovo			500	500	Appointment of conveyencor by Department of Housing	Number of transfers completed	Full security of tenure for RDP housing beneficiaries	Sustainable Human Settlements
To complete the 2 rural housing projects	Number of houses completed	195 units completed in Mantlaneni and 260 units completed in Nkozo	To complete the project by June 2012	35	35	35	40	Contractors	Number of houses completed	Provision of quality houses	Sustainable Human Settlements
To provide basic services for Mbeki township	% of roads, water and sanitation completed	There are dilapidated services that were not completed	Complete installation of services by end of 2013	5%	20%	20%	25%	Appointment of contractors by the Department of Housing	% of work completed	Complete functional settlement	Sustainable Human Settlements
To provide RDP houses in rural areas	Number of rural housing projects	Five projects submitted for application	3 projects approved for implementation in financial year 2012/13 and complete issues of planning		5%	5%	5%	Appointment of service providers and contractors by Department of Housing	Number of projects approved for implementation and progress on implementation	Completely planned and functional settlements	Sustainable Human Settlements
To ensure eradication of informal settlements	Number of houses completed every month with a special focus to designated groups	400 houses out of 503 allocated to qualifying beneficiaries	10 houses completed every month and project to be completed by November 2012	30	30	30	30	Technical personnel from the department of Housing and the Municipality	Number of houses constructed	Decent homes provided to the poor	Sustainable Human Settlement

KPA: Infrastructure Development and Service Delivery & Local Economic Development											
Objective	KPI	Baseline Indicator	Target	Quarterly Target				Input indicator	Output Indicators	Outcome Indicator	Priority I
				Q1	Q2	Q3	Q4				
To ensure the completion of Land Claims	Confirmation of settlement of Land Claims in Towns	One Land Claim confirmed to be settled in Lusikisiki but Flagstaff still outstanding	The settlement agreement was reached by September 2010 & there are still issues to be sorted out with claimants by June 2012	100%				Cooperation of the RLCC and claimants	Better managed commonage	Reduced land disputes between the municipality and the Traditional Leaders	Land Ref
To facilitate development plan for Lambasi and Mkhambathi Land Claims	Existence of development plans	There are development plans to guide development in both areas	To seek support for precinct plans by June 2012	5%	20 %	50 %	25%	Funding support from Asgisa-EC	Precinct Plan	Development guided and limit land grab	Land Ref
To review the SDF and cover rural areas in the new SDF	Completion of the SDF that covers the whole municipality	Current SDF covers urban areas only	To have SDF and LUMS for the entire municipality	20%	30 %	30 %	20%	Appointment of services provider	Completion of the SDF	SDF, LUMS and guided development	Land Ref

KPA: Local Economic Development											
Objective	KPI	Baseline Indicator	Target	Quarterly Target				Input indicator	Output Indicators	Outcome Indicator	P y Is
				Q1	Q2	Q3	Q4				

To create a conducive environment for business to develop and invest in the local economy	Number of initiatives to raise business awareness and provide business services to local businesses	2 business awareness road shows conducted	2 road shows annually			1	1	LED Strategy, Personnel, funding and partnerships with SEDA & others	Inform business community and entrepreneurs of available prospects	Sustainable economic growth	Local Economic Development and Job creation
	Number of skills development workshops for SMME's	New indicator	2 workshops with SMMEs by June 2012		1		1	LED Strategy, Personnel, funding and partnerships with SEDA & others	New business initiatives		
	Number of LED initiatives that have funding identification	Investment Conference projects	2 projects secure funding		1	1		Investment conference priorities and LED strategy	Sound Economic Development that creates jobs		
	Infrastructure to support the informal economy	New indicator	Hawker stalls in Lusikisiki and Flagstaff	10%	30%	40%	20%	LED strategy, Partnership with UCODEP & DEDEA	Number of hawker stalls created		
	Conduct a survey on new jobs created by new businesses	New indicator	Survey of new jobs created by local businesses by 2012 June		50%		100 %	Personnel, LED strategy and budget	Increased Number of jobs created by June 2011	Jobs creation and poverty alleviation	

	Number of jobs created by municipality through operational and capital budget	700 temporal jobs through the EPWP and LED projects	800 jobs created by June 2012	200	200	200	200	Budget, Personnel and LED strategy			
	Number of LED projects	10 LED projects supported by municipality	10 projects that are supported financially	10%	40%	40%	10%	Personnel, Budget and LED strategy	Socio-economic development		
To ensure HIV/Aids mainstreaming	Reviewal of SCM to allocate points for HIV/Aids mainstreaming	New indicator	2 points for HIV mainstreaming		10%	40%	50%	Personnel, SCM policy & LED strategy			

KPA: Good Governance & Public Participation											
Objective	KPI	Baseline Indicator	Target	Quarterly Target				Input indicator	Output Indicators	Outcome Indicator	Priority Issu
				Q1	Q2	Q3	Q4				
To ensure regular between council and the community	% of people who rate service delivery as satisfactory	New indicator	60% of community rating service delivery as satisfactory		50%		50%	Personnel, budget and survey	Community inputs on quality of service delivery	Well informed and participating community on municipal matters	Good Governance
	Number of Ward Committees that have	??????????	720 ward committees trained	180	180	180	180	Personnel and budget	Functioning ward committees	Well informed and participating community	Public Participatio

	undergone training									on municipal matters	
	Number of door-to-door visits by CDWs	???????????	120 door-to-door visits by June 2011	30	30	30	30	Personnel and funding	Captured community needs		
	Number of meetings with formal & informal businesses	8 meetings with both hawkers & Nafcoc	4 meetings with Hawkers & 4 meetings with Nafcoc	2	2	2	2	Personnel	Informed business that supports the municipality	Participating and informed businesses	
KPA: Good Governance & Public Participation											
Objective	KPI	Baseline Indicator	Target	Quarterly Target				Input indicator	Output Indicators	Outcome Indicator	Priority I
				Q1	Q2	Q3	Q4				
To ensure regular between council and the community	Number of Ward committee meetings per ward	12 ward meetings per ward	12 meetings per ward	3	3	3	3	Personnel and budget	Council engage with issues coming from ward committees meetings	Well informed and participating community on municipal matters	Public Participa
	Number of community meetings per ward	Not recorded previously	4 meetings per ward annually by June 2011	1	1	1	1	Personnel	Council engage with issues coming from ward community meetings		
	Number of Mayoral Outreach	2 outreach programmes per annum	4 mayoral outreach meetings	1	1	1	1	Personnel and budget	Council engage with issues coming from		

	programmes								ward community meetings		

INSTITUTIONAL TRANSFORMATION AND GOVERNANCE											
				Quarterly Targets Q1 Q2 Q3 Q4							
Objective	KPI	Baseline	Target					Input Indicator	Output Indicator	Outcome Indicator	Priority Issue
To provide sustainable service delivery through ICT	To maintain infrastructure &systems	80% complete	Maintaining ICT	80	100	100	100	Procuring IT infrastructure, licensing software, maintaining website	Improvement of IT systems	Well functioning IT Systems	Sustainable Service Delivery
To improve the capacity of the municipality to meet community needs	To provide administrative services	70%	Furniture & Office Equipment	80	90	100	100	Procuring furniture & office equipment for the whole institution	Improved healthy office environment	Motivated teams	Improved Adherence to Batho Pele
To improve the capacity of the municipality to meet community needs	To provide administrative services	60%	Fleet management	70	80	90	100	Purchasing additional & replacing old vehicles for the institution	Improved control of municipal fleet	Improved work ethic	Accelerated Service Delivery
To improve skills levels & performance	To train councilors & officials	50%	Training of Councilors & Officials	40	60	80	100	Provision of workshops, short courses, and longer programmes for the development of skills in councilors, officials and members of the public	Improved performance levels of the workforce	Enhanced performance of the workforce	Improved service delivery
To enforce compliance with	To provide legal	80%	Provision of legal services	80	90	100	100	Drawing up of legal contracts, assisting with	Enhanced integrity of the municipality	Informed decision making	Accelerated Service Delivery

KPA: Infrastructure Development and Service Delivery (ROADS AND STORMWATER)											
Objective	KPI	Baseline Indicator	Target	Quarterly Target				Input indicator	Output Indicators	Outcome Indicator	Priority Issu
				Q1	Q2	Q3	Q4				
To ensure provision of basic services to all.	Project being handed over.	5 Projects out of 7 have been completed.	To construct 45km of access road in this Financial year.	-	30	30	40	Technical personnel from the Municipality and Service Provider.	BP Done, Tender doc, Construction and Commissioning	Quality access road.	Job creation

KPA: Infrastructure Development and Service Delivery (SOCIAL INFRASTRUCTURE)											
Objective	KPI	Baseline Indicator	Target	Quarterly Target				Input indicator	Output Indicators	Outcome Indicator	Priority Issu
				Q1	Q2	Q3	Q4				
To ensure provision of gathering facilities for communities.	Project being handed over	Completion of 3 Community halls.	To construct 3 community hall per financial year	-	-	-	30	Technical personnel from the Municipality and Service provider	BP Done, Tender Doc	Safe working environment	Job Cre and Empow SMMEs.
KPA: Infrastructure Development and Service Delivery (ELECTRIFICATION)											
Objective	KPI	Baseline Indicator	Target	Quarterly Target				Input indicator	Output Indicators	Outcome Indicator	Priority Issu
				Q1	Q2	Q3	Q4				

To ensure maintenance and development of existing electrical infrastructure	Project being handed over	Electrification of rural communities.	Connection of 2500 households per financial year	25	25	25	25	Technical personnel from the Municipality and Service provider	BP Done, Tender Doc	Improved Visibility	Job Creatio

KPA: Infrastructure Development and Service Delivery (SOLID WASTE MANAGEMENT)											
Objective	KPI	Baseline Indicator	Target	Quarterly Target				Input indicator	Output Indicators	Outcome Indicator	Priority Issu
				Q1	Q2	Q3	Q4				
To ensure compliance with legislation	Project being handed over	Compliance with legislation	Construction of 2 solid waste sites	-	-	-	25	Technical personnel from the Municipality and Service provider	Feasibility study and registration o a project	Clean Towns	Negative in to environm

FINANCIAL PLAN

1.1 CAPITAL BUDGET

This poses a much greater challenge on the notion of the service delivery strategies. It is clear that the council has to review its strategy. It is further clear that without government (SOE'S)included and private financial support and injection. There is no revenue being generated The immediate challenge is the formula used by finance and fiscal commission (FFC) in determining the equitable distribution of resources.

1.2 PROJECT PRIORITISATION

All potential programmes and projects were identified as part of the extensive process of strategy development within each IDP theme and as such these projects and programmes are considered meaningful and as contributing to the delivery of Ingquza Hill Local Municipality's IDP. However, the challenge of the capital budget is that the number of projects outstrips the available capital substantially. Given the challenges, the prioritisation process is critical. The Spatial Development Framework guides spatial prioritisation. Whilst the framework below, was agreed as a guideline for allocating Ingquza Hill Local Municipality's own capital funding to each IDP theme or cluster:

TABLE 1 : GUIDELINE FOR APPORTIONMENT OF CAPITAL BUDGET

IDP Strategy	IDP Priority Split %
Strategic Planning & Development	6%
Technical Services	93%
Budget and Treasury	1%
Social Development & Community Services	2%
Total	**100%**

Within the funding available to strategies, consideration had to be given to a variety of factors in the prioritisation of programmes and projects:

- The immediate role of Council in addressing poverty and unemployment;
- Distribution of wealth and circulation of income with the municipality;
- Creating sustainable livelihoods;
- Future funding allocations versus deteriorating infrastructure and services;
- the future impact of the programme or project on the operational budget.
- functional responsibility between spheres of government
- counter-funding requirements

1.9.1 ALIGNMENT OF THE INTEGRATED DEVELOPMENT PLAN WITH THE BUDGET

The table below identifies the spread of the Operating and Capital Budgets across the Integrated Development Plan.

TABLE 2 : OPERATING AND CAPITAL BUDGET TO INTEGRATED DEVELOPMENT PLAN

	Strategic Planning & development R,000	Infrastructure R,000	Finance & Institutional Transformation R,000	Community R,000	TOTAL R,000
2009/10 Original Budget					
Capital Expenditure	500 000	55,078,115	780 000	1,560, 000	57,918,115
Operating Expenditure	7,446,531	14,634,915	42,751,043.00	22,533,979	87,366,468
Income	1,720,500	52,332,000	89,473,318	1,990, 000	145, 515,818
2010/11 Proposed Budget					
Capital Expenditure	3, 000, 000	60,492,809	250 000	800 000	64,542,809
Operating Expenditure	8,719,336	13,589,753	43,573,841	24,816,825	90,699,755
Income	1,589,000	64,659,700	86,116,894	2,913,000	155,242,564
2011/12 Proposed Budget					
Capital Expenditure	4, 500,000	54,050,000	265 500	0	58,815,500
Operating Expenditure	9,305,828	14,522,020	46,469,643	26,550,043	96,847,534
Income	944, 118	55,929,060	96,309,931	2,739,960	155,923,069
2012/13 Proposed Budget					
Capital Expenditure	6,000,000	62,000,000	281,165	0	68,281,164
Operating Expenditure	9,904,070	15,465,167	49,424,483	28,325,080	103,118,800
Income	1,009,262	62,989,065	105,228,984	2,901,618	172,128,930

1.10 FINANCIAL ESTIMATES

Table 3 identifies the estimated Income and Expenditure from 2010/11 to 2012/13.
Table 4 provides Capital Expenditure for the same period.

TABLE 3 : SUMMARISED 3 YEAR OPERATING BUDGET FOR THE 2010/11 TO 2012/13 FINANCIAL YEARS

Operating Budget	2010 / 11 R	2011/12 R	2012 / 13 R
Income	155,278,594	155,923,069	172,128,930
Expenditure	155,242,564	155,663,034	171,399,966
Surplus / (Deficit)	**36,030**	**260 031**	**728,963**

TABLE 4 : SUMMARISED 3-YEAR CAPITAL INVESTMENT PROGRAMME FOR THE 2010/11 TO 2012/13 FINANCIAL YEARS

CAPITAL BUDGET	2010/11 R	2011/12 R	2012/13 R

Total Budget	64,542,809	58,815,500	68,281,164

As highlighted above, the strategic planning of Ingquza Hill Local Municipality held in May 2007 agreed that the percentage allocations for IDP and budget implementation be as follows:-

- Strategic Planning & Development - 8%
- Infrastructure - 46%
- Finance & Institutional - 29%
- Community Services - 17%

2 2010/11 TO 2012/13 OPERATING AND CAPITAL BUDGET

2.1 INTRODUCTION

The 2010/11 to 2012/13 Operating and Capital Budget is submitted for consideration and adoption.

The formulation of this Budget commenced in August 2009 with the submission of the Budget Process Plan. This Budget Process Plan as in the previous year ensured that the Budget and Integrated Development Plan were formulated concurrently resulting in the budget being aligned to the Integrated Development Plan.

It will become evident when reading this document that the IDP and Budget compliment each other and the community can have confidence that the budget is supporting Council's direction as identified in the IDP.The community was consulted during the process and this culminated in a comprehensive feedback gathering exercise in which all wards were consulted and consideration of the feedback included in the budget for 2010/11, details of which follow.

Over the past years Ingquza Hill Local Municipality introduced budget reform with initiatives such as creation of a specialist Budget Department, production of a three year budget, ensuring that the budget consists of realistic figures, reliable indicators and reporting in accordance with the Municipal Finance Management Act. The municipality can now have more reliance on its financial reports. A major initiative which supports the reliability of the Budgets has been the implementation of tariff setting.

Following are the budget pressures and National Treasury guidelines which influence the direction of the budget.

2.2 PRESSURES ON THE MUNICIPALITY

- Improving current service delivery
- Maintenance of infrastructure.
- Dealing with increasing staff costs.
- Increasing internal efficiency and improving customer care.
- Ensuring efficient and effective management.
- Service improvement.
- Improved financial management

2.3 NATIONAL TREASURY GUIDELINES

DRAFT

National Treasury in its MFMA Circulars No. 10 on the 2005/06 and No 51 Budget Process require the following:

- The Mayor is required to coordinate the process of the annual budget and the revision of the Integrated Development Plan and budget related policies.
- The accounting officer is tasked with assisting the mayor in developing and implementing the budgetary process.
- A review of the budget process is undertaken in early August before determining the new schedule of key deadlines.
- A revised IDP is adopted at the time of adopting the budget. Therefore, the process leading to the adoption of the 2010/11 budget and IDP must be incorporated into one process, together with the process for approving taxes, user charges and budget related policies.
- The Budget process must be consultative and the collective product of all within the municipality.
- Budget preparation includes the following processes: -

  - Winning support for the priorities that will shape the way budget allocations will be determined
  - Integration of strategic objectives with budget allocations
  - Appropriate planning and improved project management
  - Assessing affordability of rates and service charges, and identifying poor households unable to afford such rates and charges
  - Estimation of accurate revenue and expenditure projections
  - Consultation and review of national, provincial and local priorities
  - Assessment of previous year performance and corrective action to be incorporated in the next budget

- Municipalities are required to produce a 3 year capital plan when tabling the draft budget. This is required to be disaggregated by municipal ward and reflect the MIG sector priorities to enable national and provincial transfers to flow directly to municipalities.
- The final step of the implementation of the budget is the approval of the Service Delivery and Budget Implementation Plan (SDBIP) within 28 days of the adoption of the Budget and the performance agreements for the municipal manager and other senior managers for the coming financial year.
- Municipalities are required to prepare their budget in accordance with the regulations and the budget formats as per the circular No 51

National Treasury also provided the following Revenue and Guideline Growth Parameters

- *The guideline growth limits for municipal budgets for 2010/11, 2011/12 and 2012/13 are 5.7 %, 6.2 % and 5.9 %, respectively. This is a guideline, for self-generated revenue sources.*

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- *It excludes the increased national allocations provided for the purposes of expanding infrastructure and providing basic services to more households.*
- *An increase in municipal rates and tariffs above the guideline growth limits must be fully motivated and explained to the local and business communities. Municipalities are obliged to ensure that their budgets are balanced, and all expenditure is fully funded.*

2.4 KEY BUDGET ASSUMPTIONS AND STRATEGIES

2.4.1 Assumptions

In August 2009, Management submitted to the mayor a Budget Assumptions for the development of the 2010/11 to 2012/13 budget.
Throughout the year, some of these assumptions were modified as more information became available.
The following table identifies the current Budget Assumptions, which have been in this budget

TABLE 5 : BUDGET ASSUMPTIONS

Description	2009/10	2010/11	2011/12	2012/13
National Treasury Guidelines				
CPIX	6.7%	5.7%	6.2%	5.9%
Salaries	13%	7.5%	7.2%	6.9%
Rates	0.02c	0.015 – 0.02	0.015-0.02	0.015-0.02
Refuse	6.00%	6.00%	7.5%	6.5%
Growth				
Telephone Costs	6.7%	5.7%	6.2%	5.9%
Free Basic Electricity (Indigent)	50 kwh	50 kwh	50 kwh	50 kwh
Free Basic Water (Indigent)	N/A	N/A	N/A	N/A
Equitable Share Allocation		22.35%	12.57%	9.90%

2.4.2 Strategies

The following strategies were adopted:

- Increase the indigent consumer database.
- Provide free basic services for electricity
- Provide free basic energy,
- Refine the alignment of the operating budget to the IDP. (Identify programmes, compile business plans and provide costing)
- Identify actual revenue to be realised in order to adequately provide for bad debts.
- Continue the enhancement of revenue management.
- Reallocate resources in terms of the IDP strategic priorities. (move funds between Directorates)
- Maximum of 5.7 percent increase in general expenses and repairs and maintenance.

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Review budget performance and address budget variance

2.5 OPERATING BUDGET 2010/11 TO 2012/13

Table 8 below, identifies the 3 year Medium Term Expenditure operating budget for the 2010/11 to 2012/13 financial years with the actual expenditure for 2009/10 and ***projected*** operating expenditure for the 2009/10 financial year illustrated for comparative purposes.

11.5.11.1.1.1 TABLE 6 : STATEMENT OF FINANCIAL PERFORMANCE FOR THE 2010/11 TO 2012/13 FINANCIAL YEARS WITH PRIOR YEAR'S COMPARATIVE

	2008/09 Actual R	2009/10 Adjusted Budget R	2010/11 Budget R	2011/12 Budget R	2012/13 Budget R
Income					
Grants Received	61 497 416	107 502 534	122 381 000	136 530 000	151 591 000
Assessment Rates	5 276 991	10 671 894	7 671 894	8 147 551	8 628 257
Water	0	0	0	0	0
Refuse	1 280 588	48 087	90 000	95 580	101 028
Sewerage	0	0	0	0	0
Other Income	5 959 389	14 411 389	25,135,700	11 149 938	11 808 645
Direct Operating Income					
Net Internal Transfers	0	0	0	0	0
Total Operating Income	74 014 384	145 515 818	155,278,594	155 923 069	172 128 930
Expenditure					
Salaries, Wages & Allowances	45 306 673	64 763 706	63 931 892	68 420 063	73 023 923
General Expenses	21 925 288	21 116 473	24 587 863	26 112 311	27 647 649
Depreciation	5 845 538	0	0		
Interest Paid	105 682	0			
Repairs & Maintenance	3 099 865	1 486 288	2 180 000	2 315 160	2 447 230
Loss on Disposal of PPE	188 930	0	0	0	0
Direct Operating Expenditure	76 471 977	87 366 467	90 699 754	96 847 534	103 118 802
Net Internal Transfers	0	0	0	0	0
Total Operating Expenditure	76 471 977	87 366 467	90 699 754	96 847 534	103 118 802
Surplus/(Deficit)	(2 457 593)	58 149 351	64,578,840	59 075 535	69 010 128

11.5.11.2

11.5.11.3 FIGURE 1 : OPERATING BUDGET 2011/12 – INCOME SOURCES

Figure 1, details the anticipated composition of operating funds for the 2011/12 financial year.

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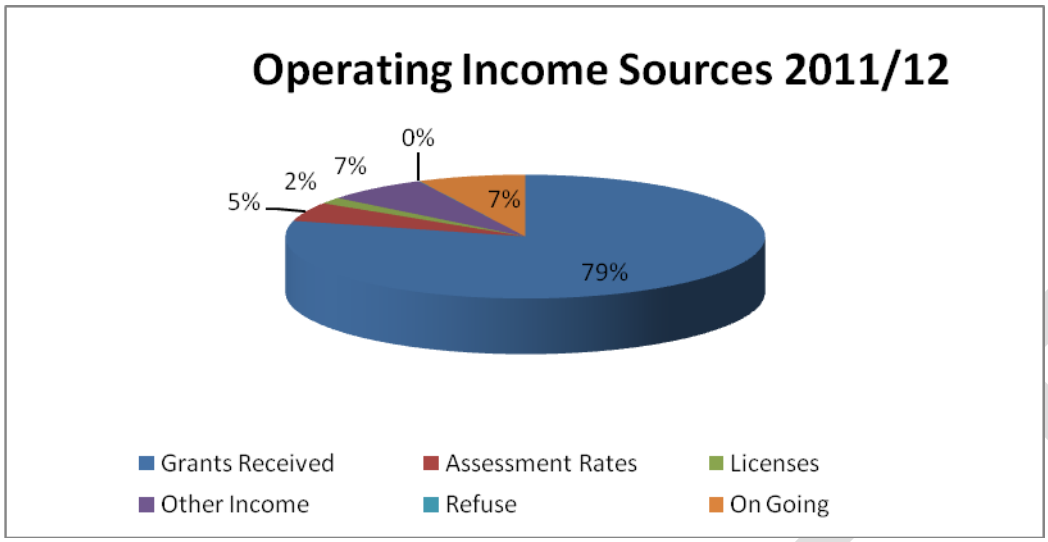


2.6 SALARIES, WAGES AND ALLOWANCES

TABLE 7 : STAFF COST DETAILS

Description	2009/10 Budget R	2009/10 Adjusted Budget R	2010/11 Budget R
Salaries, Wages & Allowances	36 546 941	39 220 175	39 214 988
Housing Subsidy	3 462 309	595 187	3 982 941
Leave Bonus	1 957 247	2 230 011	2 230 011
Travel Allowance	3 704 299	4 758 731	4 510 856
Medical Aid	4 758 441	4 314 789	4 748 796
Pension/ Provident	2 769 108	4 471 649	3 440 782
Other	5 866 219	9 173 164	5 803 518
	59 064 564	**64 763 706**	**63 931 892**

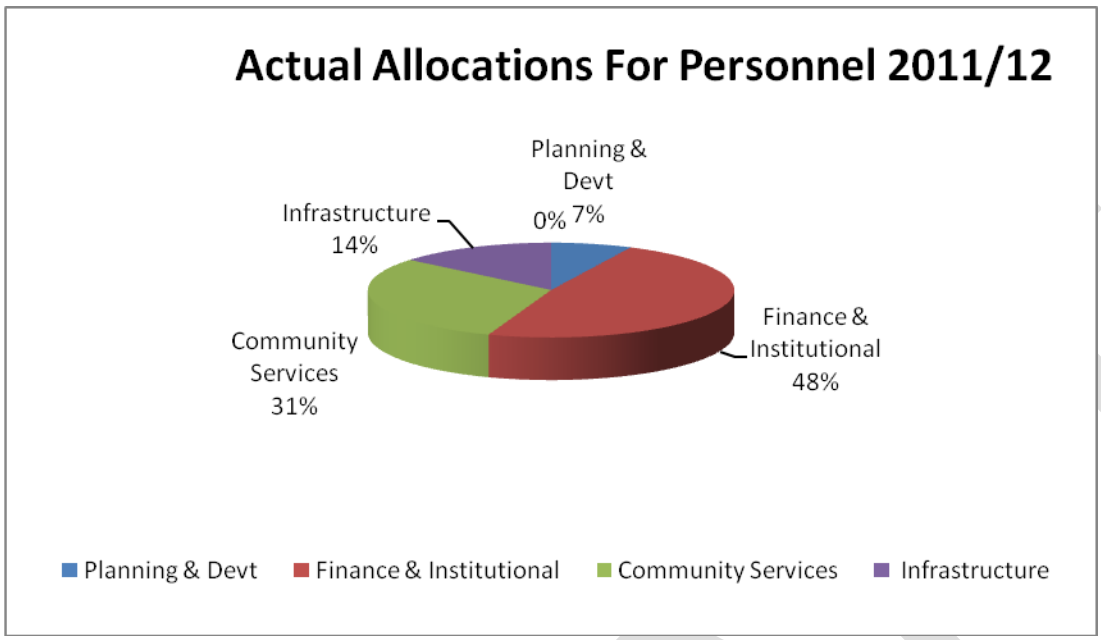
The decrease of the 2010/11 salaries budget over the 2009/10 original budget is 2%

11.5.11.4 TABLE 8: SALARIES, ALLOWANCES AND BENEFITS OF COUNCILLORS AND SENIOR OFFICIALS

The following table reflects the cost to the Municipality of Political Office bearers, Councillors and Senior Officials in 2010/11.

Political Office Bearers And Senior Officials	No.	Salary R	Allowance R	Benefits R
Mayor and Executive Committee	10	2 110 460	702 760	118 812
Councillors	44	6 045 138	2 015 275	500 038
Senior Management	6	2 642 909	1 761 940	86 400

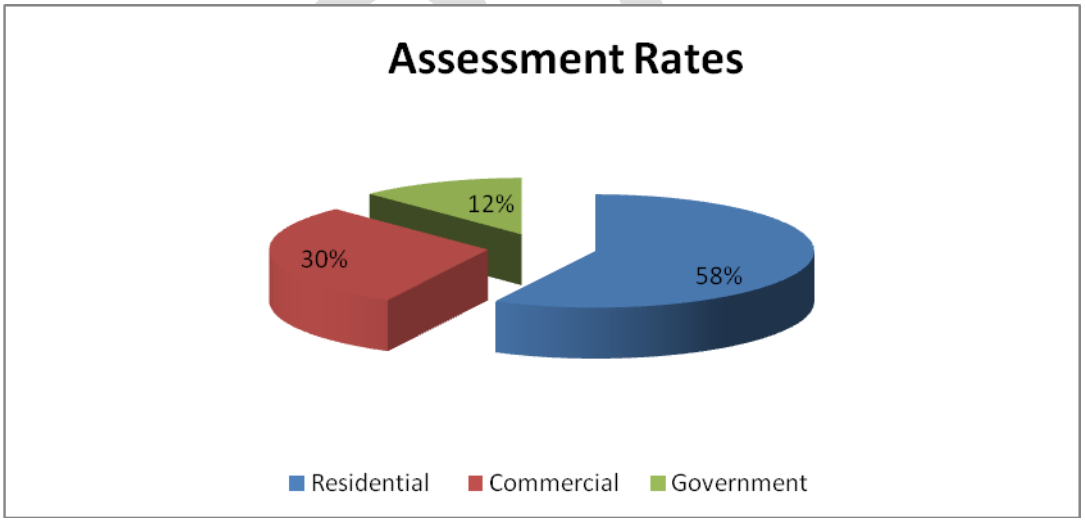
FIGURE 2 : STAFF BUDGET DETAILS 2011/12



2.7 ASSESSMENT RATES

Figure 3 below, reflects rates income for 2010/11 to 2012/13.

FIGURE 3 : COMPOSITION OF ASSESSMENT RATES BUDGET FOR 2010/11



2.9 SUMMARY AND PROPOSED TARIFF INCREASES

Tariffs have been increased as detailed in Table 8 below in order to balance the budget.

TABLE 8 : PROPOSED TARIFF INCREASE FOR THE 2010/11 TO 2012/13 FINANCIAL YEAR WITH PRIOR YEAR COMPARATIVES

The table below gives you an indication of proposed tariffs for 2010 and 2011 financial year.

Category	Old Tariff	New Tariff
	2009/10	2010/2011/2011/2012

Property Rates

Assessment Rates (Residential)	2.00c/R	1.50c/R
Assessment Rates (Business)	2.00c/R	2.00c/R
Assessment Rates (Government)	2.00c/R	2.00c/R

Refuse Removal (Basic charge)

Households – Low Cost Houses	R30.00	R30.00
Households – In Town	R82.00	R87.00
Households – With One Block of Tenants	R114.00	R120.00
Households – With Two Block of Tenants	R171.00	R177.00
Households – With Three Block of Tenants	R256.50	R260.00
Businesses (1 x Weekly)	R114.00	R120.00
Businesses (3 x Weekly)	R171.00	R177.00
Businesses (Daily)	R256.50	R260.00
Government (1 x Weekly)	R114.00	R120.00
Government (3 x Weekly)	R171.00	R177.00
Government (Daily)	R256.50	R260.00

Advertising Rates / Billboards

Local		
Billboard: 1m(h) x 1.5m(w)	R300.00	R324.00
Billboard: 1.5m(h) x 2m(w)	R350.00	R378.00
Billboard: 2m(h) x 3m(w)	R400.00	R432.00
Billboard: 3m(h) x 4m(w)	R450.00	R486.00
National		
Billboard: 1.5m(h) x 3m(w)	R1,000.00	R1,080.00
Billboard: 3m(h) x 6m(w)	R1,500.00	R1,620.00
Billboard: 6m(h) x 4m(w)	R2,000.00	R2,160.00
Billboard: 9m(h) x 6m(w)	R5,000.00	R5,400.00

Plan Fees & Servitude (class of building – rates up to 1000m2 thereafter R1.2 per sqm

Dwelling House	R1,323.00	R1,323.00
Outbuilding	R1,102.50	R1,102.50
Flats/Hotel/Townhouses	R1,512.00	R1,512.00
Shops/Schools/Churches	R1,512.00	R1,512.00
Offices	R1,512.00	R1,512.00
Carport	R567.00	R567.00
Patio/Verandah	R567.00	R567.00
Basement parking	R819.00	R819.00

Hall hire

Monday – Thursday: 08h00 – 18h00	R200.00	R200.00
18h00 – 06h00	R200.00	R200.00
Friday – Sunday : 08h00 – 18h00	R300.00	R300.00
18h00 – 06h00	R400.00	R400.00
Security (Refundable)	R400.00	R500.00

Tender Documents

0 – 100 pages	R150.00	R150.00
100 – 200 pages	R200.00	R200.00
200 pages and above	R300.00	R300.00

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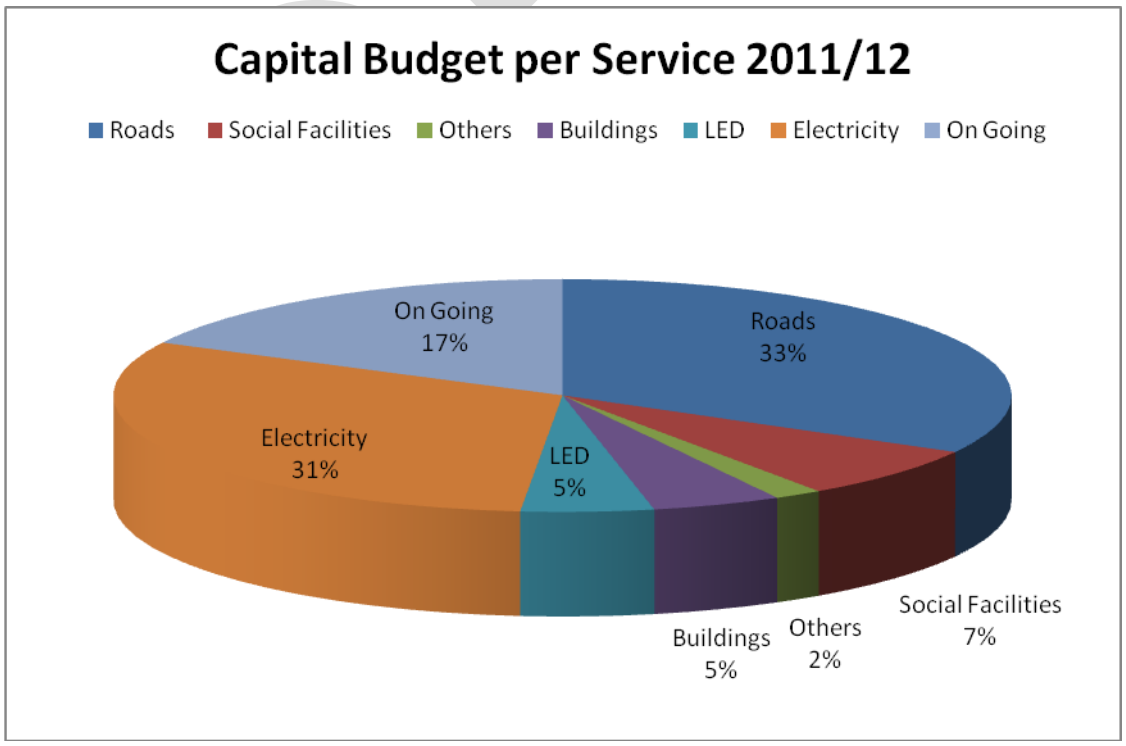
2.9 2011/12 CAPITAL BUDGET

Proposed capital expenditure to be incurred for the next three years is as follows:

TABLE 9 : 3-YEAR CAPITAL INVESTMENT PROGRAMME PER SERVICE

Capital Budget Per Service	2010/11 R	2010/11 %	2011/12 R	2012/13 R
Social Facilities	4 684 936	22%	6 000 000	5 000 000
Electricity	20 000 000	0%	20 000 000	20 000 000
Roads & Stormwater	21 359 173	11%	24 000 000	27 000 000
Buildings	3 000 000	0%	0	10 000 000
LED	3 080 000	64%	8 500 000	6 000 000
Other	1 115 000	(72%)	315 500	281 164
On Going	11 303 700	0%	0	0
TOTAL	64 542 809	(8%)	58 815 500	68 281 164

FIGURE 4 : CAPITAL BUDGET PER SERVICE FOR THE 2011/12 FINANCIAL YEAR



2.10 BUDGET SUMMARY 2011/12

The table below presents a high level budget summary of the 2010/11 Budget. It identifies appropriations and funding as per the functions of the municipality. Please refer to Annexure 1(b) for summaries of the 2010/11 and 2011/12 budgets

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TABLE 10 : BUDGET SUMMARY 2011/12

Table 10 is the high level summary of the Operating and Capital budget for each Department

SCHEDULE 5 SUMMARY OF REV & EXP BY VOTE	2010/11					
	Appropriations			Funding		
	Capital R'000	Operating R'000	Total R'000	Own Source R'000	External R'000	Total R'000
Executive & Council	0	11 492 483	11 492 483	4 596 993	6 895 490	11 492 483
Municipal Manager Offices	0	4 148 760	4 418 760	4 148 760	0	4 148 760
Budget & Treasury	0	13 496 876	13 496 876	2 735 405	10 797 501	13 532 906
Corporate Services	250 000	14 435 722	14 435 722	2 887 144	11 548 578	14 435 722
Community & Social Services	800 000	24 816 825	25 616 825	3 928 622	21 688 203	25 616 825
Planning & Development	3 000 000	8 719 336	11 719 336	0	11 719 336	11 719 336
Engineering Services	60 492 809	13 589 753	74 082 562	11 303 700	62 778 862	62 778 862
TOTAL	64 542 809	90 699 755	155 242 564	29 600 624	125 677 970	155 278 594

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SECTION TEN: APPROVAL

Ingquza Hill has been engaged in the IDP, Budget and PMS process since August 2010. This process resulted in numerous programs undertaken to fulfil the desired IDP outcome. A meeting of the Executive Committee was held in March 2011 to assist towards the adoption of the IDP. On the bases of the Executive Committee recommendations, comments were invited from the public after IDP road shows. Results and inputs were included in the final draft for adoption by the new Council

INGQUZA HILL LOCAL MUNICIPALITY

TURNAROUND STRATEGY

30 June 2011

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No.	Priority Turn Around Focal Area	Indicate the number of households with access to the basic services below as of January 2010 as against the total number of households	Annual Target for 2010/11		Capacity challenges identified during the assessment	Municipal Action (Which specific activities will the municipality undertake to deliver on its yearly target?)	Indicators
			Dec. 2010	Jun. 2011			
1.	**Basic Service Delivery**						**Capacity level index:**
1.1	Access to water (ORTDM Competency)	N/a)	N/a	N/a	• Non - existence of IGR Forum between ORTDM and Ingquza Hill LM • There is no accountability from ORTDM officials on matters relating to water • Non-existence of working elations to ensure close monitoring of water services	To form working relations in a form of SLA between Ingquza LM and ORTDM officials	N/a
1.2	Access to sanitation (ORTDM Competency)	N/a	N/a	N/a	•	N/a	% households with access sanitation service

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No.	Priority Turn Around Focal Area	Indicate the number of households with access to the basic services below as of January 2010 as against the total number of households	Annual Target for 2010/11		Capacity challenges identified during the assessment	Municipal Action (Which specific activities will the municipality undertake to deliver on its yearly target?)	Indicators
			Dec. 2010	Jun. 2011			
1.3	Access to electricity	No information available from the Municipality			• There is no formal structured engagement between DME /Eskom and Ingquza Hill LM as a result there are no reports coming forth in terms of electrification • There is no distribution license to sell electricity • Municipality outsources the maintenance of electricity to meet the required standards / outputs because of the limited funding available	• Municipality to invite Eskom / DME and proposed for a formalized quarterly engagements/meetings • Ingquza Hill LM to fast track the Appointment of a dedicated Electrical Project Manager	
1.4	Refuse removal and solid waste disposal	1620 households benefiting from refuse removal 46500 total households	1620	1620	• People do not pay rates and expect to be given refuse bags • Revenue Collection rate is far less due non -payment of rates	• Municipality to enforce By-laws pertaining to payment of rates	• 1620 benefiting from refuse removal
1.5	Access to municipal roads	54km (6.17%) Access 821km (93.82%) Backlog 875km (Total KM)	20km	40km	**Capital Projects** • There is no fully fledged PMU structure to deal specifically with MIG • Poor workmanship on site by Service Providers • No close monitoring by Municipal	• Municipality to write a motivation letter to CoGTA requesting increment of top slice to fully populate organogram to improve close monitoring on site • Technical	54km planned new road infrastructure actually constructed

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No.	Priority Turn Around Focal Area	Indicate the number of households with access to the basic services below as of January 2010 as against the total number of households	Annual Target for 2010/11		Capacity challenges identified during the assessment	Municipal Action (Which specific activities will the municipality undertake to deliver on its yearly target?)	Indicators
			Dec. 2010	Jun. 2011			
				48km to be maintained	officials • Poor quality of material used by contractors • The municipality is behind schedule in terms of implementation **Roads Maintenance** • Inadequate plant maintenance set (only one old grader is available) • There is no routine maintenance plan in place • There is no dedicated roads maintenance team (maintenance of portholes) • Failure of consultation between Municipality and Department of Roads and Transport for	manager to propose a fully fledged PMU structure to council • Municipality to review implementation plan to recover time lost • Municipality to fix plant to meet the target of 48km • Municipality to explore Plant lease option from BELL Plant manufacturers • Ward councillors to provide at least 2 priority projects to technical Department for maintenance • To tap in the expertise of	

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No.	Priority Turn Around Focal Area	Indicate the number of households with access to the basic services below as of January 2010 as against the total number of households	Annual Target for 2010/11		Capacity challenges identified during the assessment	Municipal Action (Which specific activities will the municipality undertake to deliver on its yearly target?)	Indicators
			Dec. 2010	Jun. 2011			
					the maintenance of roads	Public works personnel and machines • To forge partnership between roads and public works to ensure full participation of Department of Roads and Public Works in the IDP.	
1.6	Formalization of informal settlements	1117 +503 = 1620 informal settlement households	No indication from the municipality	No indication from the municipality	• Poor quality of material used on site by contractors do not conform to building regulations • Shoddy work done by contractors • Completion of houses takes too long to be completed.	• Close monitoring from the municipality and Department of Human Settlement	1620 numb of household living informal settlements
1.7	Access to Housing	Competency of Department of Human Settlement					

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No.	Priority Turn Around Focal Area	Indicate the number of households with access to the basic services below as of January 2010 as against the total number of households	Annual Target for 2010/11		Capacity challenges identified during the assessment	Municipal Action (Which specific activities will the municipality undertake to deliver on its yearly target?)	Indicators
			Dec. 2010	Jun. 2011			
1.8	Access to Free Basic **Energy** Services (there should be a co-relationship between the FBE and electrification programme)	1873 (7.17%) access to free basic energy 24246 (92.82%) Backlog to free basic energy 26119 total households	Not provide	Not provided	• Indigent register is not updated • No dedicated FBS unit	• Municipality is currently updating data to electronic software programme	1873 households receiving fr basic energy
1.9	Landfill sites licensing and certification	2 (landfill sites)	1 (land-fill site	1 (land-fill site	• Delays by service provider to complete the feasibility study and to lodge the application to DEAT however the Municipality is operating without license	• The municipality will expedite the submission to DEAT to ensure that by June 2011 license is available for both landfill sites	0%

No.	Priority Turn Around Focal Area	How effective is each of the following public participation structure/ mechanism as of January 2010?	Annual Target for 2010/11		Capacity challenges identified during the assessment	Municipal Action (Which specific activities will the municipality undertake to deliver on its yearly target?)	Indicators
			Dec. 2010	Jun. 2011			
2.	**Governance and Public Participation**						**Capacity level index:**
2.1	Functionality of Ward Committees	Effective			Illiteracy of some ward committees that caused them not to	Capacity building of ward committees Increase of stipends from	% of de-established Ward Committees

No.	Priority Turn Around Focal Area	How effective is each of the following public participation structure/ mechanism as of January 2010?	Annual Target for 2010/11		Capacity challenges identified during the assessment	Municipal Action (Which specific activities will the municipality undertake to deliver on its yearly target?)	Indicators
			Dec. 2010	Jun. 2011			
					know their roles 7 responsibilities Office space for ward committees Financial resources	R200 to R250 per member	
2.2	Broader public participation policies and plans (name the policies/plans)	(Draft policy)	End of May 2010		No policy	Develop policy by end of May 2010	Number of policies/plans that have been adopted by the council
2.3	Public Communication systems	No communication strategy	Strategy for mulation	Adoption of Strategy	No strategy	Formulation and adoption of strategy	Number of public communication systems being used
2.4	Petitions management	No effective system to deal with petitions					number of petitions attended to
2.5	Front Desk interface mechanisms	Non-effective			No dedicated customer care lines Working system is not assisting	Suggestion boxes Campaign to notify public about suggestion boxes	Number of mechanisms in place to enhance customer care
3.1	**Political Management and Oversight**						
3.1.1	Stability of Councils	Ineffective	2	2	Training	Extensive Training of portfolio heads and councilors on Executive Leadership and management	Number of councilors resigned/recalled
3.1.2	Delegation of functions between political and administration	Delegations are in place and effective			Not reviewed	Reviewal of delegation of functions	Number of written delegation of functions in place
							Number of reported cases of political interference in administrative duties

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No.	Priority Turn Around Focal Area	How effective is each of the following public participation structure/ mechanism as of January 2010?	Annual Target for 2010/11		Capacity challenges identified during the assessment	Municipal Action (Which specific activities will the municipality undertake to deliver on its yearly target?)	Indicators
			Dec. 2010	Jun. 2011			
2.	**Governance and Public Participation**						**Capacity level index:**
2.1	Functionality of Ward Committees	Effective			Illiteracy of some ward committees that caused them not to know their roles 7 responsibilities Office space for ward committees Financial resources	Capacity building of ward committees Increase of stipends from R200 to R250 per member	% of de-established Ward Committees
2.2	Broader public participation policies and plans (name the policies/plans)	(Draft policy)	End of May 2010		No policy	Develop policy by end of May 2010	Number of policies/plans that have been adopted by the council
2.3	Public Communication systems	No communication strategy	Strategy for mulation	Adoption of Strategy	No strategy	Formulation and adoption of strategy	Number of public communication systems being used
2.4	Petitions management	No effective system to deal with petitions					number of petitions attended to
2.5	Front Desk interface mechanisms	Non-effective			No dedicated customer care lines Working system is not assisting	Suggestion boxes Campaign to notify public about suggestion boxes	Number of mechanisms in place to enhance customer care
3.1	**Political Management and Oversight**						
3.1.1	Stability of Councils	Ineffective	2	2	Training	Extensive Training of portfolio heads and councilors on Executive Leadership and management	Number of councilors resigned/recalled

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No.	Priority Turn Around Focal Area	How effective is each of the following public participation structure/ mechanism as of January 2010?	Annual Target for 2010/11		Capacity challenges identified during the assessment	Municipal Action (Which specific activities will the municipality undertake to deliver on its yearly target?)	Indicators
			Dec. 2010	Jun. 2011			
3.1.2	Delegation of functions between political and administration	Delegations are in place and effective			Not reviewed	Reviewal of delegation of functions	Number of written delegation of functions in place
							Number of reported cases of political interference in administrative duties

No.	Priority Turn Around Focal Area	What is the status of financial management with regard to the following areas as of January 2010?	Annual Target for 2010/11		Capacity challenges identified during the assessment	Municipal Action (Which specific activities will the municipality undertake to deliver on its yearly target?)	In
			Dec. 2010	Jun. 2011			
4.	**Financial Management and Viability:**				**Capacity level index:**		
4.1	Revenue enhancement strategy	Revenue enhancement strategy not in place however there are plans and activities contained	Revenue enhancement strategy Developed and adopted	Partially implementation of the Strategy	Property owners do not have title deeds	Adoption and implementation of the strategy Trace developer to facilitate transfer of land to relevant owners	% re co ag pr
4.2	Debtor management	Credit control and debt collection policy is in place but not yet promulgated into a bylaw	80% debt collection on GVT departments 20% debt collection on residents and businesses	90% debt collection on GVT department 30% debt collection on residents and businesses	Some properties owned by Public Works are invaded and PW refuse to pay for rates related to land Schools donated by the church to the GVT were not fully transferred	Promulgate and implement credit control bylaw	% m de re

No.	Priority Turn Around Focal Area	What is the status of financial management with regard to the following areas as of January 2010?	Annual Target for 2010/11		Capacity challenges identified during the assessment	Municipal Action (Which specific activities will the municipality undertake to deliver on its yearly target?)	In
			Dec. 2010	Jun. 2011			
					to PW that resulted on nonpayment of rates		
4.3	Cash flow management	Internal controls and procedures are in place, cash flow projections are in line with the annual budget but due to the financial constraints the annual budget has been reduced to meet projected expenditure for the remaining months Munsoft prevents over expenditure	80% reduction of issues raised by AG related to cash flow management	100% reduction of issues raised by AG related to cash flow management	Partially use of the system that leads to non integration of information	Develop implementation plan for fully utilization of the system Training of staff on Munsoft	% ex ag in
4.5	Capital expenditure	57% expenditure of the budgeted amount 32,749,000 Meeting reporting requirements of the grants	50% expenditure of the budgeted amount	100% expenditure of the budgeted amount	Insufficient budget to address infrastructure backlog	Monthly monitoring of expenditure trends Lobbying of infrastructure funding from other spheres of government and institutions	% ex
4.6	Audit Action plan developed	2008/09 Action plan developed and is being implemented. However, the action plan is based on the draft report.	80% of issues raised in the audit report addressed.	100% of issues raised in the audit report addressed.	Knowledge of GRAP and retention of skilled personnel. Financial constraints in implementing GRAP statements (GRAP 16 & 17).	Monthly monitoring of the implementation of the Audit action plan. Developing of attraction and retention strategy. Implement action plan of directive four GRAP statements.	% ra AG to
4.7	Submission of Annual Financial	Annual Financial Statements were	All reconciliations	All reconciliation	Knowledge of GRAP and	Implement action plan of directive	Ti su

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No.	Priority Turn Around Focal Area	What is the status of financial management with regard to the following areas as of January 2010?	Annual Target for 2010/11		Capacity challenges identified during the assessment	Municipal Action (Which specific activities will the municipality undertake to deliver on its yearly target?)	In
			Dec. 2010	Jun. 2011			
	Statements	submitted on time	performed	s and end year procedures performed	retention of skilled personnel. Financial constraints in implementing GRAP statements (GRAP 16 & 17).	four GRAP statements.	of
4.8	MIG expenditure by end of financial year	63% MIG expenditure of the allocated budget of 22,547,000	70% MIG expenditure of the allocated budget	100% MIG expenditure of the allocated budget	Inadequate funding for capital projects	Monthly monitoring of MIG expenditure	% ex
4.9	Asset register developed.	Asset register have been amended to comply with GRAP but not yet adopted by the council Asset verification and asset count performed	70% GRAP compliant asset register	100% GRAP compliant asset register	Non compliance with policies and procedures regarding movement of assets within the institution Inadequate funding to value infrastructure assets and impairments	Adoption of asset register by the council Enforce adherence to the policy and institute disciplinary action for non compliance	GI co As re
4.10	Supply Chain Management policy.	Supply Chain Management policy is in place and fully implemented	Maintain full implementation of SCM policy	Maintain full implementation of SCM policy	SCM regulations are rigid and disadvantaging SMMEs Turnaround time for acquisition because of the rural nature of the municipality and proximity to bigger cities with recquisite goods and services	Categorization of SMMEs for targeted services	Nu irr te pr re or bl
4.11	Audit Committee	Audit Committee is in place and is functional	Maintain functionality of the audit committee	Maintain functionality of the audit committee	Audit committee is not fully supported by the internal audit unit Council have not considered Audit committee reports	Council must hold its meetings Establish own Internal Audit unit	Ex ar fu

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No.	Priority Turn Around Focal Area	What is the status of financial management with regard to the following areas as of January 2010?	Annual Target for 2010/11		Capacity challenges identified during the assessment	Municipal Action (Which specific activities will the municipality undertake to deliver on its yearly target?)	In
			Dec. 2010	Jun. 2011			
4.12	Internal Audit Unit	Internal Audit shared with district municipality 2008/09 conducted 13 audits as against 16 planned audits 09/10 conducted 1 audit as against 4 planned audits	Own Internal auditor appointed	Full functionality of the internal audit function – all planned audits conducted	Risk assessment plan not yet adopted by the council The District internal audit is overloaded	Appoint internal auditor Adoption of risk assessment plan Develop and implement risk audit plan	Ex ar fu

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5.	Local Economic Development					
5.1	Municipal contribution to LED					
5.2	LED Plan aligned to the PGDS; adopted by Council.					

No.	Priority Turn Around Focal Area	What is the status of LED with regard to the following areas as of January 2010?	Annual Target for 2010/11		Capacity challenges identified during the assessment	Municipal Action (Which specific activities will the municipality undertake to deliver on its yearly target?)	Indicators
			Dec. 2010	Jun. 2011			
5.	**Local Economic Development**						
5.1	Municipal contribution to LED	The amount budgeted for was R 2,5 m from the equitable share	70% exp.	30% exp.	The budget was inadequate to support the LED plans of the municipality,	The municipality will make applications for funding through the MIG programme.	% of LED budget agai total budget
5.2	**Plans and Strategies**						
5.2.1	LED Plan aligned to the District LED Strategy; adopted by Council.	The LED strategy is in existence and is aligned to the District Plan	LED Strategy to be adopted	N/A	The LED strategy has not been adopted and however the LED strategy will be approved on adoption of the IDP.	IDP adoption will be inclusive of the LED Strategy.	Existence of strategies/plan
5.2.2	Facilitation of ward based economic planning	N/A	N/A	N/A	N/A	N/A	No of existing ec ward based plans
5.2.3	District LED						Number of district

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No.	Priority Turn Around Focal Area	What is the status of LED with regard to the following areas as of January 2010?	Annual Target for 2010/11		Capacity challenges identified during the assessment	Municipal Action (Which specific activities will the municipality undertake to deliver on its yearly target?)	Indicators
			Dec. 2010	Jun. 2011			
	strategy aligned to PGDP, DGDS resolutions and synergized with LM timelines						strategy.
5.3	Regeneration of declining local economies	Flagstaff and Lusikisiki are earmarked for the beneficiation in the inner city regeneration. The municipality is currently doing the storm water management, upgrade of the internal roads within the urban area and lastly, the municipality intends to improve the informal trading infrastructure, (Lusikisiki)	65% of the plans will be developed and partially implemented	35 % of the remaining work would have been completed	Limited funding,	Mobilize additional funding from the relevant departments.	Number of towns/ regenerated
5.4	**Institutional capacity to drive LED functions**						
5.4.1	Staff vacancy rate	5 out of six positions are occupied	1 training session for all LED officials	1 training Sessions	Some of the staff members are not adequately trained or Well capacitated.	Ongoing training/technical support from government departments	Number of posts f of required total
5.4.2	Policies/regulations	All LED policies and regulations have been adopted by Council and the	Increase the implementation to 10%	Increase implementation by 25%	Non-compliance because of the lack of underst	Formulation of partnerships with existing structures (SMME's/hawker/NGO's/ rate payers)	No of LED related po place

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No.	Priority Turn Around Focal Area	What is the status of LED with regard to the following areas as of January 2010?	Annual Target for 2010/11		Capacity challenges identified during the assessment	Municipal Action (Which specific activities will the municipality undertake to deliver on its yearly target?)	Indicators
			Dec. 2010	Jun. 2011			
		implementation is at 40 %			anding of the policies and generally negligence from the communities (monitoring the implementation process)		
5.4.3	Public awareness and access to policies/regulations	The public awareness and access to policies have taken place and are continuously presented to communities and stakeholders	Strengthen the public awareness campaigns	Strengthen the public awareness campaigns	Community members are not showing interest in the implementation of the policies	Engage on more awareness programs and enforce the policies	No of aw programmes and for access
5.4	Co-ordination of functional partnerships	There is one formal partnerships with the Italian government	1 partnership to be formalised, LED forum Strengthened	1 partnership to be formalised LED forum Strengthened	Most of the agreements are not yet formalised. Poor functionality of LED forums	Establish functional LED projects	No of part established

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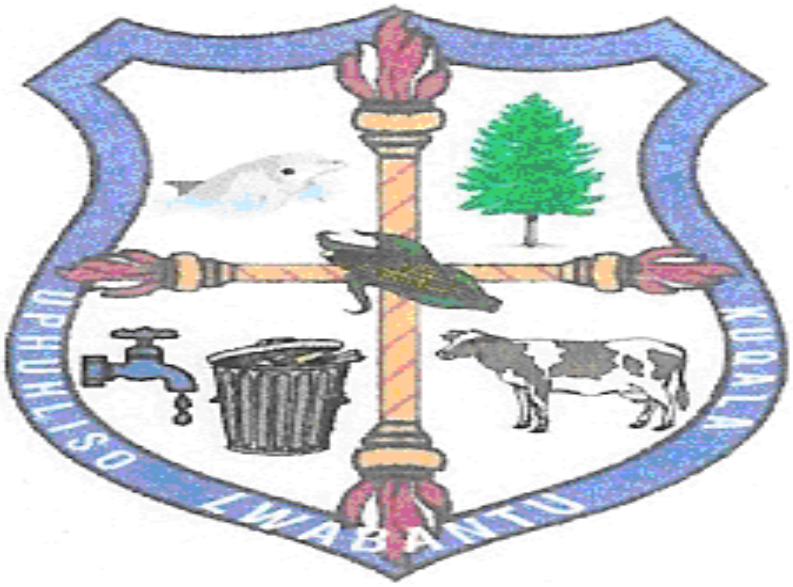
INGQUZA HILL LOCAL MUNICIPALITY



Reviewed Performance Management Framework

30 June 2011

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BACKGROUND

Many of South Africa's municipalities, including Ingquza Hill Local Municipality, continue to endure the legacy of under-development, poverty, infrastructure backlogs and inequitable access to basic services. In response to these, Government is putting in place various mechanisms and measures to fight poverty and unemployment.

In the local government context, a comprehensive and elaborate system of monitoring performance of municipalities has been legislated. This system is intended to continuously monitor the performance of municipalities in fulfilling their developmental mandate. Central to this is the development of key performance indicators as instruments to assess performance. These indicators help to translate complex socio-economic development challenges into quantifiable and measurable outputs. They are therefore crucial if a proper assessment is to be done of the impact of government in improving the quality of life for all.

In this regard, the Municipal Planning and Performance Management Regulations (2001) stipulate that a "Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organized and managed, including determining the roles of the different role players" (Chapter 3, Section 7, Municipal Planning and Performance Management Regulations, 2001).

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1. INTRODUCTION

In terms of Section 19 of the Structures Act, Sections 39, 40 and 41 of the Municipal Systems Act and Section 7 (2) of the Municipal Planning and Performance Management Regulations, a Local Government Structure shall develop a Performance Management System (PMS). This system is to contain the following core elements :

- Performance measurement;
- Performance monitoring, reviewing and evaluation;
- Performance Auditing;
- Performance reporting; and
- Intervention.

The Municipal Manager in conjunction with the Executive Committee has the responsibility to ensure the management of performance and the establishment of a financial incentives and rewards, subject to the availability of adequate funds in the Municipal budget and the medium-term expenditure framework. It is thus within the Councils discretionary powers to allow, or disallow the payment of any performance incentives and rewards for a particular financial year.

1.2. Aim

The aim of this Performance Management Policy and Procedure Manual is to clarify the processes of implementing the performance management system within the framework of the Integrated Development Planning process. To demonstrate how the system will be conducted, organized, operated and managed from the planning stage up to the performance review. It will determine the roles and responsibilities and the frequency of reporting.

1.2.1. Purposes

- Strategic purpose - strategy –competency alignment; strategy programmes; evaluation of strategic outcomes;
- Administrative purpose -transparent reporting (products/services; costing; performance/effects; rewarding;
- Developmental purpose – skills gap identification; meaningful conversation; learning management; culture change.

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1.2.2. Focus

The performance management we are focusing on is for the**:**

- Individual employee;
- Group and the unit of the specific section of the department;
- The entire section of the Department;
- The department itself – through the Head of the Department; and
- The Entire organisation.

1.3. Definition of Performance Management

Performance Management **is** an ongoing communication process that involves both the Manager/Supervisor and the Supervisee in:

- Identifying and describing essential job functions and relating them to the strategy (IDP) and Budget of the Municipality;
- Developing realistic and appropriate performance standards;
- Giving and receiving feedback about performance;
- Undertaking constructive and objective performance appraisals ; and
- Identifying and planning education and development opportunities; to sustain, improve or build on employee work performance.

Performance management can therefore be summarized as a process through which:

- Performance is defined, managed, reported and sanctioned;
- Managers/officials ensure that the municipality and the municipality's components and employees activities, outcomes and outputs are congruent with the organisation's strategies.

1.3.1 Organisational Performance Management

Although organizational and individual performance management are linked, as the latter cannot be meaningfully developed without the former, it is important to manage these two fields of performance management as two separate systems. Once organizational objectives (Integrated Development Plan) and targets have been set for the Municipality, municipal departments and sections, it is possible to cascade them down to individuals within the sections through the use of individual performance plans. In turn, the achievement of individual, section and municipal department objective, contribute towards the achieving the overall objectives of the Integrated Development Plan.

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2. LEGISLATIVE FRAMEWORK FOR SDBIP AND PMS

The framework for Performance Management is informed by the following policy and legislation on performance management:

- The Constitution of the RSA, 1996 (Act 108 of 1996)
- The Batho Pele White Paper (1998)
- The White Paper on Local Government (1998)
- The Municipal Systems Act, 2000 (Act 32 of 2000)
- Municipal Planning and Performance Management Regulations 2001(No 796, 24 August 2001)
- Regulations for Municipal Managers and Managers reporting directly to Municipal Managers, 1 August 2006
- The Local Government : Municipal Structures Act, 1998 (Act 117 of 1998)
- The Municipal Financial Management Act , 2003 (Act 66 of 2003)

In accordance to the legislative requirements and good business practices, the Ingquza Hill Local Municipality needs to develop and implement a performance management system. The main objectives of the system are to guide and manage the performance of the municipality (as an organisation) and employees (as individuals) throughout the municipality.

The need for a monitoring tool within municipalities comes from a number of pieces of legislation as listed above which give guidance and direction on the path to be followed when developing these systems. All this is done in order to ensure effective and efficient service delivery to our communities. The different pieces of legislation follow here below:

2.1 The Local Government: Municipal Planning and Performance Management Regulations, 2001,

Section 7(2) of the Regulations requires that the Municipality, in developing its Performance Management System, must ensure that the system:

1. Complies with all the requirements set out in the Municipal Systems Act;
2. Demonstrates how it is to operate and be managed from the planning stage up to the stages of performance review and reporting;
3. Clarifies the roles and responsibilities of each role player, including the local community, in the functioning of the system;
4. Clarifies the processes of implementing the system within the framework of the Integrated Development Planning process;
5. Determines the frequency of reporting and the lines of accountability for performance;
6. Relates to the Municipality's Employee Performance Management processes. Furthermore, Section 43 of the Regulations prescribes the seven general key performance indicators (Section 3.3.4 of this policy).

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2.2 Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006

These regulations articulate issues of employment contracts, performance contracts and performance appraisal of Municipal Managers and Managers directly accountable to them.

Chapter 3 of the regulations allude to the following regulation clauses as purpose of performance agreement:

The purpose of the agreement is to:

(1) comply with the provisions of Section 57(1)(b), (4A), (4B)and(5) of the Act as well as the employment contract entered into between the parties;
(2) specify objectives and targets defined and agreed with the employee and to communicate to the employee the employer's expectations of the employee's performance and accountabilities in alignment with the Integrated Development Plan, Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the municipality;
(3) specify accountabilities as set out in a performance plan, which forms an annexure to the performance agreement;
(4) monitor and measure performance against set targeted outputs;
(5) use the performance agreement as the basis for assessing whether the employee has met the performance expectations applicable to his or her job;
(6) in the event of outstanding performance, to appropriately reward the employee; and
(7) give effect to the employer's commitment to a performance-orientated relationship with its employee in attaining equitable and improved service delivery.

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2.3. Municipal Systems Act (Act No 32 of 2000)

In terms of this Act (Chapter 6, Sections 38 – 49) all municipalities are required among other things to:

1. Develop a PMS, monitor and review performance based on the indicators linked to the IDP;
2. Involve the community in the development of key performance indicators; and reviewing municipal performance.
3. Publish an annual report on performance for councillors, staff, the Municipal and other spheres of government;

Section 57 of chapter 7 (MSA) of this chapter requires the Municipal Manager and those officials reporting directly to the Municipal Manager (section 57 employees) to sign annual performance agreements.

Furthermore, Section 43 of the Systems Act authorises the Minister to prescribe general KPIs that every municipality must report on. Regulation 5(1) mentions the following general KPIs:

1. The percentage of households with access to basic level of water, sanitation, electricity and solid waste removal.
2. The percentage of households earning less than R1100-00 per month with access to free basic services.
3. The percentage of the Municipality's capital budget actually spent on capital projects in terms of the IDP.
4. The number of local jobs created through the Municipality's local, economic development initiatives, including capital projects.
5. The number of people from employment equity target groups employed in the three highest levels of management in compliance with a Municipality's approved employment equity plan.
6. The percentage of a Municipality's budget actually spent on implementing its workplace skills plan.
7. Financial viability with respect to debt coverage; outstanding debtors in relation to revenue and cost coverage.

The objective of institutionalising a Performance Management System (PMS), beyond the fulfilling of legislative requirements, is to serve as a primary mechanism to monitor, review and improve the implementation of the Municipality's IDP. In doing so, it should fulfil the following functions:

- Promoting accountability
- Decision-making and resource allocation
- Guiding development of municipal capacity-building programmes
- Creating a culture of best practice, share learning among Municipalities
- Develop meaningful intervention mechanisms and early warning system
- Create pressure for change at various levels
- Contribute to the overall development of a Local Government system

2.4. Municipal Finance Management Act (2003)

It is also important to note that the Municipal Finance Management Act (MFMA) contains various important provisions related to municipal performance management. It requires municipalities to annually adopt a Service Delivery and Budget Implementation Plan (SDBIP) with service delivery targets and performance indicators. Whilst considering and approving the annual budget the Municipality must also set measurable performance targets for each revenue source and vote.

Section 1 of the MFMA defines the SDBIP as:

"a detailed plan approved by the mayor of a municipality in terms of section 53(1)(c)(ii) for implementing the municipality's delivery of services and the execution of its annual budget and which must include (as part of the top layer) the following:

a) Projections for each month of-

(i) revenue to be collected, by source; and

(ii) operational and capital expenditure, by vote

b) Service delivery targets and performance indicators for each quarter.

According to Section 53(1) (c) ii of the MFMA (Act 56 of 2003) "*the Mayor of the municipality must take all reasonable steps to ensure that the municipality's service delivery and budget implementation plan is approved by the mayor within 28 days after the approval of the budget*"

The Mayor is to receive the draft SDBIP 14 days after approval of budget and therefore the final SDBIP approved 14 days after receiving the first draft of the SDBIP.

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3. MUNICIPAL SCORE CARD

A number of performance models are available and any of them could be applied by the Ingquza Hill Local Municipality. Some of the available models include the Municipal Scorecard, Balanced Scorecard and the Key Performance Area Model. However, the Municipality has chosen the Balanced Score Card (BSC) as its preferred performance management model.

Performance Management is also underpinned by policies and PMS guidelines.

3.1. *Batho Pele*

Eleven Batho Pele principles were adopted by Ingquza Hill LM to serve as acceptable policy and legislative framework regarding service delivery in the Municipal service. These principles are aligned with the Constitutional ideals of:

- Promoting and maintaining high standards of professional ethics;
- Providing service impartially, fairly, equitably and without bias;
- Utilising resources efficiently and effectively;
- Responding to people's needs; the citizens are encouraged to participate in policy-making; and
- Rendering an accountable, transparent, and development-oriented Municipal Administration

3.2. PMS Guidelines

The guidelines provide that, a systematic process should be followed in developing a performance management system of a municipality. The systematic process suggested by the guidelines comprises of the following steps:

3.2.1. Introduction of PMS to the municipality:

PMS (as a framework) is a legislative requirement and tool that is aimed at measuring the implementation of the IDP. The PMS is also a tool for managing individual performance in a developmental approach.

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3.2.2. Gearing up the institutional structure for implementing the PMS in a municipality:

Prior to implementing a PMS, an approved organisational structure that is aligned to the IDP be put in place. This structure should indicate roles, responsibilities, powers and functions for the implementation of the IDP.

3.3.3. Developing Measures for monitoring the implementation of the IDP:

This entails the development of measures and aligning them to the IDP.
The implementation of the IDP should be monitored throughout the financial year. There are types of **KPIs** that need to be taken into account when developing measures. They are input, output. Process, outcomes/impact.

General Key Performance Indicators

- The following key performance indicators will be complied with as prescribed in terms of Section 10 of the Local Government Municipal Planning and Performance Management Regulations, 2001:
- The percentage of households with access to basic level of water, sanitation, electricity and solid waste removal;
- The percentage of households earning less than R1100 per month with access to basic free services;
- The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan;
- The number of jobs created through the municipality's local economic development initiatives including capital projects;
- The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan;
- The percentage of a municipality's budget actually spent on implementing its workplace skills plan; and
- Financial viability as expressed by the ratios in the gazette.

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The Balanced Scorecard approach will be used to balance **KPA's** and the **strategic objectives** as they appear in the reviewed IDP. It will also link the IDP objectives to operational plans and ensuring that there is a balance of outcome, output and input indicators in the organizational and departmental SDBIP's. The KPI's and performance targets will be developed for each of the strategic focus areas and high level objectives. Baseline information for the previous financial year will also be used to determine where the municipality is in terms of achieving its previous plans, and to determine what should be done to improve on the past performance. The Balanced Scorecard approach will be customised as follows:

1. **Service Delivery Perspective: (outcome/impact)**
   KPA: Basic Service Delivery & Local Economic Development
   This looks at whether the services provided meet the needs of the customers in terms of value added to customers, time, quality, service costs and outcomes. Outcomes are "what we wish to achieve and the impact are the results of achieving specific outcomes"

2. **Financial Perspective: (efficiency & effectiveness)**
   KPA: Financial viability management
   This looks at the efficiency and effectiveness of managing operations and costs, sustainability and revenue growth.

3. **Internal Business Processes: (outputs)**
   KPA: Good governance and community participation
   It refers to activities and processes done by the organization to deliver services, it looks at both short term and long term objectives. How well the municipality is running and whether the services rendered conform to customer needs. They are "what we produce or deliver."

4. **Learning and Growth Perspective: (inputs)**
   KPA: Institutional transformation and development
   It looks at human capacity, systems, organizational climate and culture. It emphasizes skills and capabilities required to improve performance. Inputs contribute to the production and delivery of outputs. They are "what we use to do the work."

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4. THE PERFORMANCE MANAGEMENT CYCLE

4.1 Performance Planning

This ensures that the strategic direction of the municipality informs and aligns the IDP with all planning activities and resources, like the development of departmental SDBIP's, development of Performance Contracts for Section 57 employees and the Performance Plans of all employees. The key performance areas and key performance indicators are aligned to the IDP and the national requirements and the targets are set at this stage.

4.2 Performance Measurement, Review and Analyses

This is an ongoing process to determine whether performance targets are met, exceeded or not met. Projections can also be made during the year as to whether the final targets will be met by comparing achievements to the past deliverables. This also analyses why there is under-performance or over performance in a particular area. Where targets have not been met, reasons are examined and corrective actions recommended. Evidence to support the status is also reviewed. This is where indictors are also reviewed to determine if they are feasible and measure the key areas appropriately.

Performance review sessions- the cycle for performance runs throughout the year. Monitoring is a process of consistently measuring performance and providing ongoing feedback to the employee or group of employees on their own progress towards reaching the set objectives.

Accountability to the Councillors of the Portfolio Committees takes place every month, hence the monthly Portfolio committee meetings. This is where the quarterly KPA are worked on and accounted upon monthly and the next month's plan is agreed upon and where the Councillors give input on the next month's programme and projects. This should be seriously considered at the platform in which the Councillors exercise their oversight role.

It is therefore imperative that the time is invested in the process for the**:**

- Self assessment by the employee;
- Assessment by the employee's manager
- Joint discussion between the employee and the responsible manager; and\reaching consensus on the outcomes, detecting problems and jointly devising solutions.

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The performance reviews will take place as follows:

- All Departments to submit their Quarterly Reports to the Performance Management Unit on the 10th after the end of the Quarter.
- The consolidated quarterly review report will be presented to Portfolio Committees on the 15th after the end of the quarter.
- The Consolidated Review Report and Performance Analysis Report will be presented to Top Management and the Extended Top Management on the 20th after the end of the quarter.
- The Quarterly Review Meeting will then take place on the 24th after the end of the quarter when all inputs from various committees have been incorporated into the review reports
- Departments will be requested to provide evidence of their performance against targets as and when required, as this information may be requested by Internal Audit from time to time as a means of verification of what has been reported in the quarterly reports.

4.3 Performance Reporting

Sections report weekly to the Managers. These reports are consolidated into monthly reports where line managers report to their General Managers. The monthly reports will be presented and discussed at the Extended Top Management on monthly basis. These departmental reports will then be consolidated into quarterly reports by respective departments. The quarterly reports are sent to the Portfolio Committees and the Internal Audit prior it being sent to Council and the performance Audit committee. Quarterly reports are consolidated and reporting is done twice a year to management and communities in the form of an Annual Report at the end of the Financial Year.

4.4 Performance Appraisal

4.4.1 Section 57 Employees

Section 57 employees are assessed on a 80:20 basis, where 80% represents the Key Performance Areas and the 20% represent the Core Competency Requirements (CCR).
A performance bonus for outstanding performance or an in-kind recognition of effective performance shall only be effected after,

I. The annual report for the financial year under review has been tabled and adopted by the municipal council;
II. An evaluation of performance in accordance with the provisions of regulation 23 and this contract; and
III. Approval of such evaluation by the municipal council as a reward for outstanding performance or effective performance.

4.4.2 Performance Evaluation for Section 57 employees

The monitoring and performance evaluation of section 57 employees shall be done in accordance with the Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers, regulations of 2006, which prescribes as follows:

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For purposes of evaluating the annual performance of the municipal manager, an evaluation panel constituted of the following persons must be established –

(i) Executive Mayor or Mayor;
(ii) Chairperson of the performance audit committee or the audit committee in the absence of a performance audit committee;
(iii) Member of the mayoral or executive committee or in respect of a Plenary type municipality, another member of council;
(iv) Mayor and/or municipal manager from another municipality; and
(v) Member of a ward committee as nominated by the Executive Mayor or Mayor.

(e) For purposes of evaluating the annual performance of managers directly accountable to the municipal managers, an evaluation panel constituted of the following persons must be established –

(i) Municipal Manager;
(ii) Chairperson of the performance audit committee or the audit committee in the absence of a performance audit committee;
(iii) Member of the mayoral or executive committee or in respect of a Plenary type municipality, another member of council; and
(iv) Municipal manager from another municipality.

The Manager: Corporate Services shall provide secretariat services to the evaluation team referred to above.

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Management of evaluation outcomes

Regulation 32(1)(2)(a) and (b) a states that

(1) The evaluation of the employee's performance will form the basis for rewarding outstanding performance or correcting unacceptable performance.

(2) A performance bonus ranging from 5% to 14% of the all-inclusive remuneration package may be paid to an employee in recognition of outstanding performance. In determining the performance bonus the relevant percentage is based on the overall rating, calculated by using the applicable assessment-rating calculator; provided that -

(a) a score of 130% to 149% is awarded a performance bonus ranging from 5% to 9%.

(b) a score of 150% and above is awarded a performance bonus ranging from 10% to 14%.

The performance bonus based on affordability of the municipality shall therefore be paid to the section 57 employees after the annual report for the financial year under review has been tabled and adopted by the municipal council.

4.4.3 Cascading Performance Management

By cascading performance measures from strategic to operational level, both the IDP and the SDBIP, forms the link to individual performance management .This ensures that performance management at the various levels relate to one another which is a requirement of the Municipal Planning and Performance Regulations and the MFMA. The MFMA specifically requires that the annual performance agreements of managers must be linked to the SDBIP of a municipality and the measurable performance objectives approved with the budget (circular 13 of the MFMA). The SDBIP in essence becomes the main operational tool to translate and manage the performance objectives as formulated in the IDP.

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This process is illustrated by the diagram below and as described in circular 13.

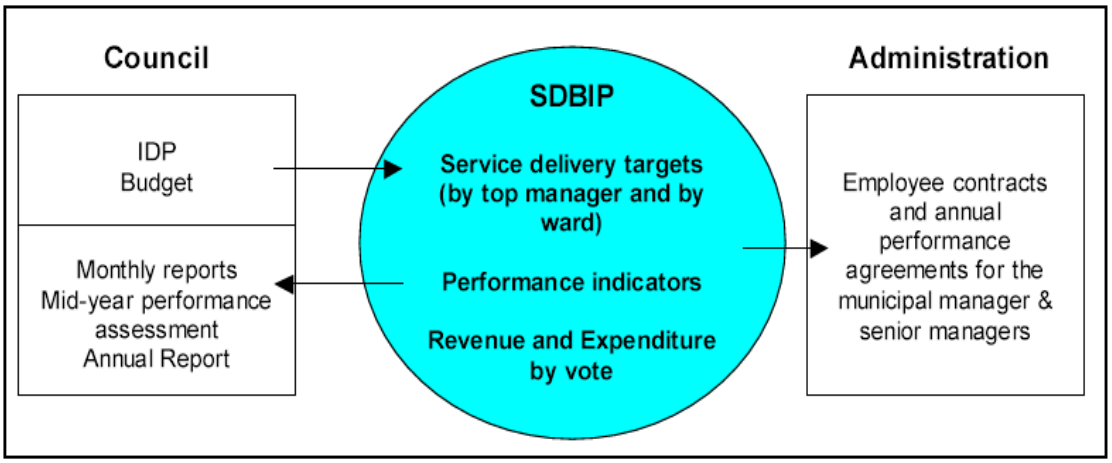

Figure 1.1: SDBIP as a Management Tool

For all officials other than the Section 57 Managers who are permanent staff members of Ingquza, performance is not directly linked to a financial reward. In addition, there is no merit increase system for these officials who receive an annually bargained increase determined by the South African Local Government Bargaining Council. Officials whose remuneration is subject to the Bargaining Council, recognised as having rendered superior performance, are to receive a non financial reward as indicated hereunder:

Performance Score	Nature of the Recognition
70% - 79%	Certificate of recognition presented by the Municipal Manager
80% - 89%	Certificate of Recognition presented by the Mayor at a Council meeting
90% - 100%	Certificate of recognition presented by the Mayor at a Council meeting together with a course in the functional field of the official to the maximum cost of R5000.

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5. DEALING WITH POOR PERFORMANCE

In the event of an employee failing to meet his/her performance objectives, the following guidelines should be followed :-

5.1 Poor Performance and Incapacity Process

- The onus lies with the Manager/Supervisor to ensure that the employee knows what is required;
- Objectives/targets – key performance areas and deadlines should be agreed with the employee;
- The employee should be given appropriate training, coaching an instructions in order to be able to meet the objectives/targets;
- The employee has to have the means to perform the required objectives.
- The employee must be given a reasonable time to achieve the required objectives. The employee must be given regular feedback on his/her performance.

5 .2 Formal Counselling

- The employee's direct Manager/Supervisor is responsible for conducting any formal counselling sessions on poor performance; The Counselling session is an opportunity to formally plan and agree on corrective action;
- Identify why the employee is failing to meet the required performance standards/objectives;
- Agree on a plan to assist the employee in achieving the required standards/objectives and give the employee a fair opportunity to improve his/her performance;
- Make the employee aware of the potential consequences of not complying with performance requirements;
- Ensure that these meetings are documented so that procedural fairness can be proved in the event of any future disciplinary been taken.

5 .3. Corrective formal Disciplinary Process

- Should the employee after a reasonable period of time for improvement, continue to perform unsatisfactorily, notwithstanding appropriate evaluation, instruction, guidance and/or counselling, formal disciplinary steps may be implemented.
- A formal disciplinary hearing should be held, and corrective action through series of graduated disciplinary measures should be considered, e.g. formal counselling, written warning, written final warning, and finally dismissal as a last resort.

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5.4. Supervisors must meet regularly with employees to:

- discuss the employee's performance objectives;
- monitor their performance;
- conduct formal assessment and
- agree on areas of improvements and what will be required to enhance that improvement. These included systematic, remedial and development support.
- The feedback must be formal and in writing

5. 5 Disputes:

- Employees must record their disagreement on the performance assessment.
- Such dispute must be resolved without delay through formal structures.

Situations of poor performance, after everything possible has been done, the following may be considered:

- Mentoring of the employee;
- Placing the employee in a more appropriate job; and
- Possible dismissal of the employee.

Performance review sessions- the cycle for performance runs throughout the year. Monitoring is a process of consistently measuring performance and providing ongoing feedback to the employee or group of employees on their own progress towards reaching the set objectives.

Accountability to the Councillors of the Portfolio Committees takes place every month, hence the monthly Portfolio committee meetings. This is where the quarterly KPA's are worked on and accounted upon monthly and the next month's plan is agreed upon and where the Councillors give input on the next month's programme and projects. This should be seriously considered at the platform in which the Councillors exercise their oversight role.

It is therefore imperative that the time is invested in the process for the**:**

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- Assessment by the employee's manager
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- The Quarterly Review Meeting will then take place on the 24th after the end of the quarter when all inputs from various committees have been incorporated into the review reports
- Departments will be requested to provide evidence of their performance against targets as and when required, as this information may be requested by Internal Audit from time to time as a means of verification of what has been reported in the quarterly reports.

6. PERFORMANCE AWARDS SYSTEM

The purpose of the Award System is to promote, recognize, and reward excellence for performance in all areas of the municipality. The awards will give Ingquza Hill LM a chance to acknowledge excellence and innovation and reward such achievements.

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6. 1 Departmental Award

6.1.1 Procedure

One week prior to the monthly departmental meeting, the Head of Department invites members of the department to nominate colleagues to contend for the performance excellence award based on the above criteria.

Nominations should be submitted through respective managers to the Head of Department.

At the departmental monthly meeting, staff members may vote for the deserving colleague of their choice. Nominated officials may vote. The Head of Department may not vote at such proceedings. Colleagues will vote through the mechanism of a secret ballot.

The Head of Department will officiate over the tallying of votes and communicate the successful departmental candidate at a departmental meeting after it has been approved by Top Management.

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6.1.2 Scoring Criteria:

SCORE SHEET

ITEM			
1. CONSULTATION	**Yes/No**	**Evidence Y/N**	**Score**
• According to your SDIP, did you consult with the beneficiaries of your services?			
• Provide evidence			
2. ACCESS			
• Are your Services accessible to the beneficiaries?			
• Provide evidence			
3. COURTESY			
• Are your courteous towards the beneficiaries of your Services?			
• Provide evidence			
4. INFORMATION			
• Are you effectively providing information about your Services?			
• Provide evidence			
5. OPENNESS AND TRANSPARENCY			
• Are you providing Services in a manner that is open and transparent to your beneficiaries?			
• Provide evidence			
6. SERVICE STANDARDS			
• Has your department developed departmental service standards?			
• Provide evidence			
7. REDRESS			
• Are you apologizing for not meeting the standards as expected by your customers?			
• Provide evidence			
8. VALUE FOR MONEY			
• Are you implementing strategies to reduce cost of your services?			
• Provide evidence			
9. LEADERSHIP & STRATEGIC DIRECTION			
• Are you providing leadership and			

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strategic direction in your department?			
• Provide evidence			
0. INNOVATION & EXCELLENCE			
• Are you encouraging innovation and rewarding excellence among the employees in your department?			
• Provide evidence			
1. SERVICE DELIVERY IMPACT			
• Because of all your initiatives for Service Delivery Improvement, Is there an impact on the lives of the beneficiaries of your services?			
• Provide evidence			

6.2. Team Award System

The award system that Ingquza Hill Local Municipality has embraced is "team award system". The system aims, upon everything, to encourage team work and harmony towards the same departmental and organisational strategic objectives.

6.2.1 Team Award System

Team award is a system used to award excellent team effort/ performance towards achieving the achievement of the departmental and organisational strategic objectives and vision.

6.2.2 What is a team?

A team is two or more people working together for the purpose of achieving a common goal. In Ingquza Hill Local Municipality's context, teams will be referred to, in relation to departmental sections/ functional areas within a department.

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6.2.3 The Purpose Of Team Performance Award

The purpose of the Team Award System is to promote, recognize, and reward excellent performance in all areas of the municipality. The award system will give Ingquza Hill LM a chance to acknowledge excellence and innovation and reward such effort.

The Awards will be an important way to promote continuous improvement and best practice and recognise those individuals; teams; sections and departments that have contributed high standard of service to the municipality.

The best performance and service delivery expectations of the municipality are guided in the following documents, which therefore position them as the central purpose of the award system implementation;

- Service Delivery Charter
- Service Delivery Improvement Plan;
- Implementation of all eleven Batho Pele principles.
- IDP
- Budget
- SDBIP

6.2.4 Procedure to nominate a Team

The team award shall be conducted bi-annually, in February after the mid-year review has been undertaken and in August following the 4th quarterly review.

One week after the start of the month of February and August, the Head of Departments shall invite sectional heads to submit reports based on each departmental team's performance plan as entrance for the performance excellence award.

The Head of Department will then sit with other Head of Departments and nominates the best performed teams for each department.

At the departmental monthly meeting of February and August, the HOD will announce the best team and elaborate on their conclusion to nominate such a team.

The team award shall be financial or non-financial. If financial or leave linked, it shall be considered along the Ingquza Hill Local Municipality's remuneration and/or leave policies.

6.2.5 Scoring Criteria:

The overall score of each team will be based on three stages, **stage one**, percentage as allocated per each KPI in the team's performance plan, **stage two**, the 5 generic ratings as outlined below and **stage three** – general characteristics of the best team:

Score	Description of Performance
5	*Outstanding Performance*
4	*Performance significantly above expectations*
3	*Fully effective performance*
2	*Performance not fully effective*
1	*Unacceptable performance*

General Characteristics of a best team

SCORE	TEAM CHARACTERISTICS
2	Punctuality at work
4	Quality reports with evidence
3	Timely performance of tasks
3	Promotion of Batho Pele Principles
3	Knowledge of Ingquza Hill Local Municipality's vision and mission statements
3	Team that performs beyond its scope of work
2	Promotion of team unity and co-operation
Total 20	

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ANNEXURES

ANNEXURE 1 : ORGANOGRAM

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ANNEXURE 2: MAPS

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ANNEXURE 3: PROCESS PLAN

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INGQUZA HILL LOCAL MUNICIPALITY

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Integrated Development Plan, PMS and Budget

Process Plan

For

2011 /12

1. Introduction

All municipalities are required by law to prepare a Process Plan for their integrated development planning. The preparation of the planning process has been regulated in the Municipal Systems Act, 2000 (Chapter 4, Section 29). This document identifies the roles and responsibilities for everyone involved in the process; it also sets out mechanisms and procedures for community

participation, timeframe and costs estimates. It is this Process Plan which will be a guide to the actual IDP.

2. Distribution of Roles and Responsibilities in the IDP process

ACTORS	ROLES AND RESPONSIBILITIES
Executive Committee	• Recommend the Process Plan to Council • Overall management, coordination and monitoring of process and drafting of IDP • Approve nominated persons to be in charge of the different roles, activities and responsibilities • Overall management and coordination of planning process • Public participation • Ensure the annual business plans, budget, PMS and land use management decisions are linked to and based on the IDP
Municipal Council	• Political decision making body • Consider, adopt and approve process plan and IDP Major link between municipal government and residents • Link the planning process to their wards or constituencies • Organizing public consultation and participation • Ensure the annual business plans, budget, PMS and land use management decisions are linked to and based on the IDP. Adjust IDP in accordance with the MEC for Local Government
Municipal Manager / IDP Manager	• Prepare the Process Plan • Undertake the overall management and co-ordination of the planning process; • Ensure that all relevant actors are appropriately involved, • Nominate persons in charge of different roles; • Be responsible for the day- to-day management of the drafting process; • Ensure that the planning process is participatory, strategic and implementation orientated and is aligned with and satisfies sector planning requirements; • Respond to comments on the draft IDP from the public, horizontal alignment and other spheres of government to the

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ACTORS	ROLES AND RESPONSIBILITIES
	satisfaction of the municipal council; • Ensure proper documentation of the results of the planning of the IDP document; and • Adjust the IDP in accordance with the MEC for Local Government's proposals. • The Municipal Manager may delegate some of these functions to an IDP Manager
Municipal and Government Officials	• Provide relevant technical, sector and financial information for analysis for determining priority issues; • Contribute technical expertise in the consideration and finalisation of strategies and identification of projects; • Provide departmental operational and capital budget, PMSary information; • Be responsible for the preparation of project proposals, the integration of projects and sector programmes; and • Be responsible for preparing amendments to the draft IDP for submission to the municipal council for approval and the MEC for Local Government for alignment. • Charged with the responsibility of preparing business plans for different programmes and projects.
Community at Large	• Represent interests, contribute knowledge and ideas (Representative forum) • Inform interest groups, communities and organizations • Analyze issues, determine priorities, negotiate and reach consensus • Participate in designing project proposals • Discuss and comment on the draft IDP • Monitor performance in implementation • Conduct meetings with groups communities etc to prepare for and follow-up on relevant planning activities.

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3. Institutional Arrangements for the IDP

STRUCTURE	MEMBERS OF THE STRUCTURE	TERMS OF REFERENCE

IDP and Budget, PMS Steering Committee	Chair : Municipal Manager
	
	Secretariat: IDP and Planning Unit
	
	Composition Top Management
	
	Adhoc representation: Executive Committee members
		• Provide ToR for the various planning activities
		• Commission research studies
		• Considers and comments on:
		  ○ inputs from sub-committee, study teams and Service Providers/Advisors
		  ○ inputs from provincial sector departments and support providers
		  ○ Processes, summaries and documents outputs
		• Makes content change recommendations
		• Prepares, facilitates and documents meetings

Budget, PMS Steering Committee	Chair: Director Finance (CFO) Secretariat: Budget, PMS and Treasury office Composition Top Management Adhoc representation: Executive Committee members	• Finance still to supply • Provide basic financial figures and allocations from different sources • Give information on revenue raising strategies and their impact on budget, PMS • Link IDP priorities with Budget, PMSs
IDP and Budget, PMS Representative Forum	Chair: Mayor Secretariat: IDP and Planning Unit and Budget, PMS office	The IDP Representative Forum shall: • IDP forum members shall represent the interests of their constituencies in the IDP processes • Provide an organisational mechanism

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STRUCTURE	MEMBERS OF THE STRUCTURE	TERMS OF REFERENCE
	Composition: Government: • Executive Committee • PR Councillors • Top management • District Managers provincial and national government departments Public: • Stakeholder Representatives of organized groups/ District Wide Organisations • Community Representatives (based on advert) • Advocates for unorganized groups	for discussion, negotiation and decision making between the stakeholders including the municipal government. • Ensure communication between all stakeholder representatives including the municipal government. • Monitor the performance of the planning and implementation processes. • Participate in the process of setting up and monitoring "key performance indicators" in line with the Performance Management Manual.
Manager IDP and planning		• Responsible for the preparation of the Process Plan. • Responsible for the day to day management of the planning process under consideration of time, resources, people, ensuring: o involvement of all different role players, especially officials, o that the timeframes are being

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STRUCTURE	MEMBERS OF THE STRUCTURE	TERMS OF REFERENCE
		adhered to, ○ that the planning process is horizontally and vertically aligned and complies with national and provincial requirements, ○ that the conditions for participation are provided, ○ that outcomes are being documented. • Secretariat to Steering Committee and Rep Forum; and • Management of service providers.
Manager Budget, PMS and Treasury office		• Budget, PMS processes

4. Action Programme

	ACTIVITY	PURPOSE	RESPONSIBLE PERSON	MILESTONE DATE
1.	Submission Process plan to the council for adoption	Municipal Council decision	IDP Office	August 2010
2.	Table to council a schedule of key deadlines for Preparing, tabling and approving of the budget, PMS Reviewing the IDP Reviewing budget, PMS related	Table IDP and budget, PMS process plan by end of August to Executive Committee Set guidelines for the IDP and Budget, PMS processes	Mayor	August 2010

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	policies. Consultation processes			
3	Publish and make known simplified version of schedule of key deadlines.	For public participation	BTO and IDP office	August 2010
4	Identify and establish Budget, PMS Steering Committees and Consultation Forums for IDP and budget, PMS process.	Budget, PMS steering committee and consultation forums in place	BTO and IDP office	August 2010
5	Make known the composition of committees and consultation forums.	Public Participation	BTO and IDP office	August 2010
6	Review sector plans	Assess provincial strategic plans as well as sector specific plans and hold one on one discussions with each sector department and stakeholder	BTO and IDP office	August 2010
7	Request IDP information from municipal departments		BTO and IDP office	August
8	CBP Workshop	Promote Participation of communities in their development	IDP Office	7,8 September 2010
9	CBP Roll Out Programme	To ensure that all government plans address and are in tandem with the needs of communities	IDP Office	22, 23. 24 September 2010

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10	Hold a steering committee meeting	Discuss the IDP and budget, PMS strategy	MM	28 September 2010
11	1st Representative forum	Review strategic objectives for service delivery and development for the next three year budget, PMSs, collate ideas of priority issues and project teams to discuss projects in more detail	Mayor	07 October 2010
12	Review the provincial and national government sector and strategic plans	Inform internal and external departments to review sector plans	BTO and IDP office	October 2010
13	Review delegations in terms of MFMA	For appropriate delegation	MM	October 2010
14	Engage provincial and national sector departments on sector specific programmes for alignment with municipal IDP.	For alignment purposes	BTO and IDP office	October 2010
15	Political and administrative outreach with sector departments	IDP and Budget, PMS discussion with communities to ensure participation in decision making	Mayor	12-14 October 2010
16	Each function or department of the municipality to determine revenue projection and proposed rates and service charges and draft initial		MM, CFO and HODs	18-22 October 2010

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	allocation to the function or departments.			
17	Steering committee meeting	The Municipal Manager together with the functions and departments officials review the following: National and provincial policies and budget, PMS plans Potential salary increase Consolidate and prepare proposed budget, PMS and plans for three years taking into account previous years performance	MM,	26 October 2010
18	Political Outreach	Public Participation	Mayor	29 October 2010
19	IGR Meeting	Cluster Reports on challenges, achievements and necessary interventions	IDP Office and IGR	27 November 2010
20	2nd IDP and budget, PMS representative forum	Discuss projects and budget, PMS projections. Consolidate and prepare proposed budget, PMS and plans for three years taking into account previous years performance	Mayor	26 November 2010
21	Review budget, PMS-related policies	IDP & Budget, PMS review	BTO	November 2010
22	Draft IDP in place	IDP review	IDP Manager	16 December 2010
23	Finalize service delivery agreements for next financial year	Alignment purposes	MM	January 2011
24	Finalize Budget, PMS related policies for next financial year.	Alignment purposes	BTO	January 2011

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25	Finalize draft service charges for 20011/12 financial year	Revenue Analysis	BTO	January 2011
26	Review proposed national and provincial allocations (must be available by the 2 January 2011)	Allocations review	BTO	January 2011
27	Review District municipality allocations to local municipalities (120 days prior to start of financial period)	District allocation review	BTO	February 2011
28	Revision of 2011/12 annual budget, PMS through an adjustment budget, PMS	Review budget, PMS for last financial year	CFO	January 2011
29	Report on mid-year and performance assessment	Assessment reports	MM	January 2011
27	Finalize and submits to Mayor proposed budget, PMS and plans taking into account: Mid-year review report Annual oversight report	Quarterly and Annual reports	MM	February 2011
28	Outreach to communities with	Engage community on: Service delivery agreements	Mayor	07 – 11 February

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	sector departments	Budget, PMS related policies and tariffs Reviewed IDP Proposed budget, PMS and service delivery plans		2011
29	IDP and budget, PMS steering committee	Discuss budget, PMS alignment and constraints	MM	24 February 2011
30	IDP Rep Forum	Engage provincial and national sector departments on finalization of their inputs into the municipality budget, PMS and IDP	IDP Manager	February 2011
31	Steering Committee	IDP and budget, PMS review Finalize budget, PMS and service delivery plans Finalize budget, PMS and service delivery plans	MM	March 2011
32	Council meeting to adopt draft budget, PMS and IDP for comment	Tabling of the following at the council meeting 90 day prior to commencement of financial period: **Draft Service delivery and Budget, PMS Implementation Plan** Draft Resolutions Service delivery agreements Draft Budget, PMS related policies and tariffs increase and; Draft Reviewed IDP and invites local community comments	Mayor	31 March 2011
33	Publish annual budget, PMS and service delivery plans, council resolutions, service delivery	Public participation	BTO and IDP manager	April 2011

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	agreements, budget, PMS related policies and tariffs increases and reviewed IDP and invites local community to comments			
34	Submit to National and Provincial Treasury and others departments as prescribed the budget, PMS and service delivery plans, council resolutions, service delivery agreements, budget, PMS related policies and tariff increases and reviewed IDP	Submission to National and Provincial Governments	BTO and IDP manager	April 2011
35	Consultation with National and Provincial treasuries	For Financial Matters	BTO and IDP manager	April 2011
36	Consultation with DHLGTA	For compliance issues	BTO and IDP manager	April 2011
37	Finalize sector plans for core powers and functions of the district municipality	Alignment purposes	HOD	April 2011
38	One to one interaction with local organizations	Alignment purposes	BTO and IDP manager	April 2011

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	and sector departments			
39	Conduct public hearings / outreaches with sector department	Public participation	Mayor	April / May 2011
40	Revise budget, PMS and IDP documentation in accordance with consultative processes and taking into account the results from the third quarter of the current year		BTO and IDP manager	April 2011
41	Steering committee	Consider views / submissions of local community, national and provincial treasury and other national and provincial organs of state. Respond to submissions and table amendments for consideration Accounting officer to assist Mayor in preparing final budget, PMS documents taking into account consultative processes and all necessary amendments	MM	May 2011
42	IDP Rep Forum	Presentation of final IDP to Sector departments (National & Provincial) and inclusion of departments final inputs	IDP Manager	May 2011
43	Council meeting	Approval of the budget, by resolution, setting taxes and tariffs, approving changes to IDP and	Mayor	31 May 2011

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		budget, related policies and approving measurable performance objectives for revenue by source and expenditure by vote before the start of the budget, PMS year.		
44	Submit to the Mayor a draft of SDBIP and annual performance agreements within 14 days after approval of budget, PMS.	Final submission	MM	June 2011
45	Approve SDBIP within 28 days after approval of the budget, PMS and ensure that annual performance contracts are concluded.	SDBIP and PMS	Mayor	June 2011
46	Ensure that the annual performance agreements are linked to the measurable performance objectives approved with the IDP, Budget, PMS and SDBIP.	SDBIP and PMS	Mayor	June 2011
47	Submits approved SDBIP and performance agreements to	SDBIP and PMS	Mayor	June 2011

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	council,			
48	Submits approved SDBIP and performance agreements, MEC for local government and makes public within 14 days after approval		BTO and IDP Manager	June 2011
49	Publishes adopted budget, PMS and IDP.	Public Participation	MM	June 2011
50 51	Finalize systems of delegation. SDBIP approved by Mayor	MFMA	Council Mayor	June 2011 14 after approval of IDP

5. Mechanisms and Procedures for Community and Stakeholder Participation

One of the main features about integrated development planning and budget, PMS process is the involvement of community and stakeholder organisations in the process. This ensures that the IDP addresses the real issues that are experienced by the citizens. The Constitution stipulates that one of the objectives of municipalities is "to encourage the involvement of communities and community organisations in the matters of local government". The White Paper on Local Government also put emphasis on public participation. Through the Municipal Systems Act participation in the decision-making processes of the municipality is determined to be a right of communities, residents and ratepayers. Integrated development planning is emphasised as a special field of public participation.

5.1. Participation Mechanisms

- Use of IDP Representative Forum to verify data & add additional data
- Use of Councillors to call meetings to keep communities informed on the IDP progress (including CDW's and Ward Committees)
- Published annual reports on municipal progress
- Radio utilized for publicizing meetings

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- Newspaper advertisement to inform communities of the progress
- Pamphlets and booklets on IDPs
- Making the IDP document available for public comments
- Making the IDP document available to all members of the public
- Outreaches by Municipality to communities and stakeholders
- Communication strategy for the local area
- Community Based Planning
- Traditional Leaders forums

5.2. Participation Mechanisms for Different Phases

PLANNING PHASE	PARTICIPATION MECHANISM
Analysis	Community meetings Stakeholder meetings Sample surveys or Opinion polls
Strategies	Local strategy workshop representatives of all government departments and selected representatives of stakeholder groups Input into IDP Representative forums
Project	Technical subcommittees with few selected representatives of stakeholder organizations Intensive dialogue between technical subcommittee and affected communities
Integration	IDP Representative Forum
Approval	IDP Representative forum Broad public discussion, consultation process Community meetings Stakeholder meetings Opportunity for comments from residents and stakeholder organisation
Monitoring of implementation	IDP Representative forum Community meetings Stakeholder meetings

5.3. Appropriate Language Usage

English will be used as the medium of exchange. However, in community meetings, Xhosa will be utilized as a communication language.

5.4. Appropriate Venues, transport and refreshments

Steering Committee meetings will be held in Qumbu. Representative forums will be held at appropriate venues; however the municipality will be only responsible for transport costs of the designated groups and Traditional Authorities.

6. Mechanisms and Procedures for Alignment

The IDP Manager will be responsible for ensuring smooth coordination of municipal IDP review and its alignment with the district IDP review through the use of workshops and bilateral discussions with affected sector departments or municipalities. The Inter-Governmental Forum will also be used to ensure that beneficial alignment of programmes and project occur.

PHASE	ALIGNMENT ACTIVITY	LM/DM	LOCAL GOVT/ SECTOR DPTS
1	Information on Priority issues to Ingquza Hill	√	
2	Joint decision on localised guidelines	√	√
	District level strategy workshop	√	√
3	Technical inputs to project planning	√	√
4	Sector programmes under responsibility of Prov/Nat sector Departments	Coordination	√
5	Submission of draft IDP	√	
	Comment on Draft IDP	community	√

7. Binding Legislation

Ingquza Hill Local Municipality will ensure that it adheres to all legislation and planning requirements of the IDP.

National legislation can be distinguished between those that deal specifically with municipalities arising from the Local Government White Paper on the one hand and sector planning legislation on the other.

The Municipal Structures and Systems Acts are specific to municipalities. The Municipal Systems Act has a specific chapter dedicated to IDPs and is the driving piece of legislation for the development of IDPs. Arising from the Systems Act, the IDP Regulations need to be complied with.

National sector legislation contains various kinds of requirements for municipalities to undertake planning. The following pieces of legislation and plans will have to be complied with in the development of IDPs

- Municipal Finance Management Act
- The Municipal Systems Act
- The Disaster management Act
- National Environmental Management Act
- Sector requirements vary in nature in the following way:
- Legal requirements for the formulation of a discrete sector plans
- Legal compliance requirement (such as principles required in the Development Facilitation Act – DFA – and the National Environmental Management Act – NEMA).
- More a recommendation than a requirement, which is deemed to add value to the municipal planning process and product (in this case, Local Agenda 21).
- Provincial Growth and development plan
- National Spatial Development Perspective
- These are highlighted in the table below:
-

CATEGORY OF REQUIREMENT	**SECTOR REQUIREMENT**	**NATIONAL DEPARTMENT**	**LEGISLATION/ POLICY**
Legal requirement for local plan	Integrated Transport	Department of	National Transport Bill/Act
	Waste Management Plan	Department of Environmental Affairs	White Paper on Waste Management
	Spatial planning requirements	Department of Land Affairs	DFA/Land Use Management Bill/Act
Requirement for sector	Housing strategy and targets	Housing	Housing Act (Chapter 4, Section 9)

CATEGORY OF REQUIREMENT	SECTOR REQUIREMENT	NATIONAL DEPARTMENT	LEGISLATION/ POLICY
planning to be incorporated into IDP	LED	Department of Provincial and Local	Municipal Systems Act
	Integrated Infrastructure	Department of Provincial and Local	
	Spatial framework	Department of Land Affairs Department of	Municipal Systems Act, Land Use Management Bill/Act
	Integrated Energy Plan	Department of Minerals & Energy	White Paper on Energy Policy, December 1998
Requirement that IDP complies with	National Environmental	Department of Environmental Affairs	National Environment Management Act (107 of 1998)
	Development Facilitation Act (DFA)	Department of Land Affairs	Development Facilitation Act
	Environmental Implementation	Department of Environmental Affairs	National Environment Management Act (107 of 1998)
	Environmental Management Plans (EMPs)	Department of Environmental Affairs & Tourism	National Environment Management Act (107 of 1998)
	IDP/ budget, PMS link	National Treasury	Municipal Finance Management Act

Other Applicable Policies

POLICY	RESPONSIBLE DEPARTMENT	SUBJECT MATTER
Reconstruction & Development Programme (RDP)	Presidents Office	Development planning and service delivery. Local Economic Development.

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Growth, Employment & Redistribution Strategy (GEAR)	Presidents Office	A (macro-economic) strategy for rebuilding and restructuring the economy. Contents include fiscal policy; monetary and exchange rate policy; trade, industrial and small enterprise policies; social and sectoral policies; public investment and asset restructuring; employment, wages and training; and policy coordination.
Integrated Sustainable Rural Development Strategy (ISRDS)	Presidents Office	The ISRDS is designed to realize a vision that will attain socially cohesive rural communities with viable institutions, sustainable economies and universal access to social amenities, able to attract and retain a skilled and knowledgeable people, who are equipped to contribute to growth and development.
Urban Development Framework	Department of Housing	Seeks to accommodate the growth and job creation orientation of GEAR with the more re-distributive and 'people development' association of the RDP. It does so through the accommodation of the need to stimulate local economic development and enhanced global competitiveness of South African cities.
Rural Development Framework (RDF)	Department of Land Affairs	The RDF asserts a powerful poverty focus. It describes how government working with rural people aims to achieve a rapid and sustained reduction in rural poverty.
Local Agenda (LA 21)	Department of Agriculture & Environmental Affairs (DAEA) and Department of Traditional and Local Government	Blueprint for Sustainable Development. Delivering basic environmental, social and economic services. Local level planning. Sustainablee development of local urban settlements and communities.

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	Affairs (DTLGA)	
Land redistribution for Agricultural Development (LRAD)	Department of Land Affairs	Primarily deals with agricultural land redistribution. Deals with the transfer of agricultural land to specific individuals or groups. Deals with commonage projects to improve access to municipal and tribal land for grazing purposes.
Beneficial Occupation Policy for State Land	Department of Land Affairs	Deals with the entitlements of rights holders of Interim Protection of Informal Rights Act on state land and Extension of Security of Tenure Act, in respect of state land disposal projects.
ASGI-SA The Provincial Growth and Development Plan	The Presidency HLG & TA	Creation of 1,000,000 jobs: Increased employment and income for unemployed or underemployed poor people Reduced income gaps in society More productive jobs in villages and small towns to lessen migration to big city slums Economic empowerment of (mainly black) poor women Address constraints that inhibit economic growth and shared benefits
District Growth and Development Summit (DGDS)	The Presidency	The DGDS are intended to facilitate and build partnerships on practical programmes that will be engaged with social partners in each district. The DGDS are not once off events but continuous process of social partner mobilization in economic and social development. (Address to the Eastern Cape Local Government Summit by Director General of dplg: 23:08:2006).

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		The key policy informant of the Growth and Development Summit is the National Growth and Development Summit held in June 2003 including the Eastern Cape Job Summit of February 2006. The EC Job Summit Agreement 2006 recommended that Districts and Metros to host Growth and Development Summits and develop Growth.

The Municipality will include any planning documents that have been approved by Council or other strategies that might be relevant to the IDP process in their process plans.

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